What Really Happened at Washington

LARGEST CIRCULATION
OF ANY CANADIAN
FINANCIAL PAPER

THE FINANCIAL POST

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LARGEST CIRCULATION
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The Nation's Business

Canada Should Be Suspicious of Wheat Cut Plan

Our Position is Strongest of All

Obscurity is Fate of Federal Reserve

Lesson for Canada

Canada's Interest in Wheat Acreage

CANADA is invited to a four-power parley in Geneva to discuss concerted international action to bring about a reduction in the world's acreage devoted to wheat. The United States, Argentina and Australia are the other three parties to the discussion.

Canada has greatly increased its wheat acreage since the war. We have done this because this country produces the highest quality of wheat at the lowest possible cost. In short, no country in the world is better fitted in an economic sense to grow wheat to feed the world. We have contributed to the piling up of a huge surplus that is being carried over from year to year but our contribution has not been as important as that of large importing countries, which have stimulated wheat production not because they can economically produce wheat but because world conditions have made it imperative for them to cut their external purchases. Were more normal financial and fiscal conditions to be restored in the world Canada's excess production would be quickly swallowed up by the purchases of countries that would no longer feel the necessity for maintaining such a high degree of economic self-sufficiency. We have then more to gain from remedial measures directed at the underlying causes of the world depression than from joint efforts to reduce the volume of wheat being grown in the exporting countries. There can never be any permanent benefit from an artificial curtailment of wheat growing in the countries best equipped for production of the commodity but the world can gain a great deal of benefit from a curtailment of wheat production in the countries that can produce wheat only at excessive cost.

* * *

BUT even taking the nearer view and being quite pessimistic about the prospects for rapid general world recovery the case for an artificial reduction in wheat acreage by Canada is far from proved. The propaganda for wheat acreage reduction emanates chiefly from the United States where it is the desire of the new agricultural administration to curtail production of many commodities in an endeavor to raise the general level of prices. Naturally the American government does not want to bonus farmers to cut their output if competitor countries in world trade are to gain the benefits of such a policy without contributing to the cost. The pill that is being handed to the American farmer must be coated with the sugar of an international agreement.

Canada should beware of any such agreement. It is perhaps in the interests of the United States to give up its position as an exporter of wheat. Wheat export has reached the point where it is an uneconomic proposition for the United States. But wheat export is a vital factor in continued prosperity in Canada. There is such a vital difference between the position of the United States and the position of Canada in regard to wheat growing that the problems of wheat acreage reduction in the two countries cannot be considered as having anything in common.

* * *

IN CANADA, support for the reduction of wheat acreage has come from two sources. Among those friendly to the plan are the now virtually ostracised wheat pool propagandists in the west who are trying to regain their political influence with the western farmers through the establishment of a national wheat board. If Canada adopted the principle of curtailing wheat acreage some national agency would have to be charged with carrying out the policy and this would strengthen the demand for a wheat board.

The second line of support comes from John I. McFarland, western wheat man, who is performing the rather thankless national duty of attempting to get the Dominion government out from under its wheat pool bank loan guarantees and market operations without loss. No one questions Mr. McFarland's authority to speak out on this subject and his sincerity and ability. The degree of simplicity that would be given to his immediate task by a substantial early cut in the world wheat surplus is only one of his reasons for suggesting a curtailed acreage. But Mr. McFarland is only

(Continued on page 2, col. 3)

WORLD WHEAT 1934 OUTLOOK NOW CLEARER

Many Indications Point to Lower Production in Chief Countries

LESS CARRY-OVER

India and Russia Will Not Have Exportable Surplus —European Seed Stocks Need Replenishing

From Our Own Correspondent

WINNIPEG—The market is beginning to wonder if 1933 is to be a year of comparatively short wheat production. Existing world surpluses it is recalled, are to a large extent inherited from the large total world crops of 1928, and although there have been important changes in the location of the world's excess wheat, there has not been very much change in the total quality of wheat since that time, as short crops in one region have been balanced by large production in others.

The Indian crop is now officially reported to be 343,000,000 bushels, with no change of importance from the past two years. That makes it probable that India will have little effect on world markets one way or the other for, while such a yield effectively puts net exports out of the question, it does not seem to leave much room for any very large imports of wheat.

U. S. A. Crop Short

United States winter wheat crop is sure to be a very short one. Prospects for the spring wheat crop, only some of which has yet been seeded, are much less definite, but conditions are regarded as unfavorable for large yields. There is nothing to show that Canada may not have a fairly large yield of wheat, but underlying conditions are lacking which would make anything like a bumper total likely.

Russia's winter wheat crop is thought likely to give an unsatisfactory out-turn, both because a smaller acreage was seeded, and also because moisture conditions were unsatisfactory. To some extent the decline in acreage has been overtaken by seeding spring wheat on land that in the ordinary course of events would have been devoted to winter wheat, and that accounts for recent reports of increase in acreage of spring wheat seeded to this date. But sufficient quantity of seed is claimed to be lacking to take care of the regular spring wheat acreage. With Russia's lack of wheat reserves, which seems to have been abundantly demonstrated, exports from that country are not likely to be important in another year.

European Conditions

The winter wheat crop in western Europe is stated to be in satisfactory condition for this date, although the most recent reports show some fears because of excessive rainfall. But no one considers that a repetition of last year's extraordinarily high yields is likely. Southeastern Europe had practically a crop failure last year, and consequently hopes for better results this year, but weather and soil moisture conditions appear to have been unfavorable in the Danubian countries for winter wheat, and there is some doubt as to the quality of the seed.

The shortage of wheat in Southeastern Europe is indicated by the fact that the Argentine has recently been sending cargoes of wheat up the Danube, for consumption both in Roumania and in Austria, and estimates have been published that Roumania will have to import another 10,000,000 bushels before the new crop is harvested. While it is a reasonable expectation that the Danube basin will this year produce some wheat that will be available for export, the necessity of rebuilding farm reserves of grain make it appear unlikely that the export surplus will be very great.

Both Australia and the Argentine are countries with characteristically low production per acre, and likely to experience, according to past history, occasional years of very low yields. Their crops have been good now for several years, and there is wonder whether or not another poor year may be due for one or other of them. Both countries are just now entering the seeding season. From Australia come reports of unsatisfactory weather that is likely to cut down the wheat acreage.

Reports from the Argentine indicate that an acreage fully up to that of last year is to be expected. If such a seeding plan materializes it would seem to show that producers there are not being driven out by low prices, for Argentine prices have been much lower than those in Canada. They have been adversely affected by the British duty on wheat, as well as by the low quality of last year's crop, with the result that extraordinary large spreads between Canadian and Argentine prices have prevailed.

Associated Breweries Directors Are Re-elected

From Our Own Correspondent

MONTREAL.—Officers and directors of Associated Breweries of Canada Ltd. were re-elected without change at the annual meeting of shareholders. The financial statement and annual report for 1932 were also adopted at the meeting.

Highlights of the Week

Events and Topics That Make Articles for The Post This Week

New Deal for World

Prospects for the signing of a new treaty of economic peace for the world have been immeasurably improved by the Washington conversations of world statesmen. The Financial Post staff editor who went to Washington to cover these conversations gives the inside story of what was said and done. Page 1.

Inflation Is On

Greatest monetary experiment in history, the Roosevelt inflation programme, is under way. What it portends for business and investors discussed in special despatch from Washington. Page 9.

Personality Stuff

The new American minister to Canada, Warren D. Robbins, pictured in an intimate character sketch. And the new president of Loblaw's, J. Milton Cork, discussed by an intimate business friend of 20 years standing. Page 3.

Germany's Plans

Will Germany default on her foreign loans and private debts? "The World at Large" department surveys the position. Page 6.

British Films

Why is it that British movies have jumped to the fore in Canada after years in the shadow of obscurity? Page 8.

Facts Wanted

Investors demand more and better information about the companies in which they invest. A timely article. Page 11.

French Snipers

French group, controlling $100,000,000 funds, makes killing in New York stock rise. Once they raided Canadian dollar. A sensational story. Page 1.

Ottawa Slashes Borrowing Rate For Rediscount

Interest rate for general advances under the Finance Act has been cut from 3½ to 2½ per cent from May 1.

The rate for the special $35,000,000 of "reflation" advances made November last remains unchanged at 3 per cent.

The rate reduction follows the cut in interest on savings deposits from 3 per cent to 2½ per cent and, significantly, follows the Bennett-Roosevelt conversations at Washington when world plans to ease credit and lower borrowing costs were discussed.

IMPERIAL OIL EARNINGS LESS CASH IS STRONG

Made History in 1932 by Three Major Economic Moves

AIDS N'FOUNDLAND

Adjusted Western Farm Debts — Started 5-day Week — Unaffected by War in Peru

Decreased purchasing power of consumers, declining prices of gasoline and other products of crude petroleum, payment of premium on purchases of crude in the United States and establishment of excessive refinery capacity in Canada have for four years now caused a continuous decline in net profits of Imperial Oil.

So far as its distributing business in Canada is concerned it is understood that Imperial Oil has held its own remarkably well, but taking the whole world business of the company into account, its net profit has declined from $26,350,309 in 1929 to $19,020,360 in 1930, to $18,226,895 in 1931 and in 1932 it is expected that the annual report, soon to be published, will show a decline of a few more millions of dollars. The dividend of 50 cents a share on 26,750,327 no par value shares of common stock outstanding was covered by 99 cents a share of earnings in 1929, 72 cents of earnings in 1930, 68 cents a share of earnings in 1931 and there will be a further decline in 1932, but the dividend will be earned.

Keeps Up Strength

The company will be shown by its forthcoming annual statement in the course of a month to have maintained a very strong working capital position. At the end of 1931 more than half of its working capital of $60,000,000 was represented by inventories and another $18,000,000 by bills and accounts receivable while it held cash of $17,245,522. This was in addition to an item of $67,565,016 of stocks of other companies, Dominion bonds and other securities and miscellaneous assets. What this will be shown at at the end of 1932 cannot be estimated, but it will probably be lower than present market values due to recent stock market strength.

From the shareholders' standpoint, Imperial Oil must be considered as a world company rather than as the chief distributor and refiner in Canada. Its dividend of 50 cents a share was paid to the extent of 60 per cent from the earnings of International Petroleum and other foreign subsidiaries of Imperial Oil. In other words, the huge holdings of International Petroleum Co. in Peru and of the Tropical Oil Co. in Colombia are a major element in the hope of investors for the future. Up to the end of 1931 crude oil pro-

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Sharpshooters of Finance, Operating from Paris Base Snipe at Jittery World

By Staff Editor

WASHINGTON—Huge profits have been made in the New York stock market by a French group who bought heavily for the two days preceding President Roosevelt's sensational announcement that the United States was off the gold standard. Whether this group has sold or not is something which it is impossible to determine; it is possible that they have; their system is to snipe for quick profits; to keep their funds liquid and to move from country to country, from one financial situation to another, with the slippery dexterity of a lizard.

A fund of $100,000,000 is said to be under the control of this group of French international bankers and speculators whose headquarters are centred in Paris and whose master mind is a famous ex-premier of France. This fund they keep moving from country to country seeking quick, if small, profits.

$200,000,000 in All

An additional $100,000,000 is controlled by other groups who watch with hawk-like eyes the operations of the larger group and who copy its actions when they are able to discover what big operation is afoot. Thus there is a total fund of around $200,000,000 constantly floating from country to country, alternately stabilizing and upsetting national economies, ever on the lookout for profits, always willing to do a little sharpshooting in finance, not above mobilizing political power to make its francs earn the profit expected of them.

Before Great Britain went off the gold standard there was evidence that this group of French speculators were raiding the pound. Some people aver that they were responsible for Britain's departure from gold; that when British finance was most vulnerable to attack they threw in that last malicious bombshell of selling designed to blow the British off gold. This is probably an exaggeration. It is quite obvious that French financial policy had an unfriendly political significance as regards Britain in those troublesome days of 1931 and it is also probable that the managers of the French sniping fund have on occasion worked very closely with the French Government. But primarily their purpose is profit and their selling of the pound was based upon their very definite understanding of what was going to happen in Lombard Street. They were using their fund for profits and not for politics.

Raid Canadian Dollar

Then in 1932 this group mobilized their resources to raid the American dollar and they nearly succeeded in making the colossal profit that would have come had they been able to get the United States off gold at that time. Early in 1933 they are believed to have essayed one bear movement against the Canadian dollar but found it, however, rather a small unit for such a large fund.

From country to country the fund moves. Sometimes it is fairly inactive, being moved around only to gain the benefit of changes in the interest rate. A difference of one half of one per cent in the bank rates between two financial capitals of the world is sufficient to cause the fund to cross one or two oceans in normal times when exchange movements are fairly simple.

But in times like these when exchanges are jumpy, when stock markets and short-term money markets have the "jitters," there is more money in anticipating the financial moves of the great powers, prejudging their results and buying or selling bonds, stocks or exchange to take advantage of profit-making possibilities before the general public or even most well-informed financiers know what is really going to happen.

In normal times such a fund would probably have a rather favorable stabilizing effect in world finance; much like the speculator who provides absorptive power against hedges in the wheat market; but in times like these the influence of this clever group of French financial snipers is far from stabilizing in effect; it is in fact menacing.

Argentina Opposes Wheat Acreage Cut

By Staff Editor

WASHINGTON.—At the Argentine embassy here it was made clear to The Financial Post that there is no enthusiasm in Argentina for an international plan of wheat acreage reduction.

"In the first place we have not greatly increased our acreage, although we have increased our yield by better methods, for which we should not be penalized," said an Argentine spokesman.

"It would be difficult, perhaps impossible, to organize our farmers for an acreage cut. Moreover, like Canada, we feel that the less efficient wheat growers should drop out first."

TRADE TREATY FACES OBSTACLE IN CONSTITUTION

Experts Dubious if U. S. Can Make Permanent Pact

From Our Own Correspondent

OTTAWA.—Between the lines of the official communiques handed out at Washington by Prime Minister R. B. Bennett and President Franklin D. Roosevelt last week, political leaders at Ottawa, regardless of party, sense the tremendous importance of the reciprocity negotiations now launched.

And what had not already been guessed was added to the sum total of Ottawa's information, when Premier Bennett gave the Conservative caucus on Monday a fairly clear outline of the negotiations to date. Mr. Bennett, it is learned, gave his supporters to understand that Canada could obtain real concessions in the United States market on lumber, copper and cattle, but that there were difficulties in the way of concessions on fish and dairy products. He expressed great hope of carrying the negotiations through to a successful issue.

No Trade Obstacles

Putting this with the developments at Washington it is now accepted as a fact that there are no major difficulties in the path of a reciprocity deal between the two countries so far as trade items are concerned. The Roosevelt administration has given satisfactory evidence of its will to revive international trade by lowering tariffs.

The real difficulty in the way of a reciprocity treaty is the constitution of the United States, under which it is practically impossible to guarantee permanency to any pact entered into. Ever since Premier Bennett made his reciprocity speech in the Commons, last February, he has stressed the necessity of permanency in any trade arrangement between the two countries. The one great weakness in the 1911 reciprocity agreement, in his view, was that it was not a treaty but an agreement between two countries to enact certain tariff schedules—changeable at will by either side. The only sort of a treaty he is prepared to enter into, according to his recent speeches, is one for a period of years and which, in so far as permanence is concerned, will be ironclad.

But competent constitutional experts in the United States point out that this is a condition impossible of fulfilment. The constitution of the Republic provides that the country shall be subject first to the constitution proper, second to enactments of Congress, third to treaties.

The Senate, alone, has power to ratify a treaty, a two-thirds majority being necessary. The president may negotiate a treaty, but the Senate must ratify it. Many treaties have been negotiated and either refused by the Senate or left to perish in the limbo of abandoned things. Thus the St. Lawrence treaty seems to be in great peril

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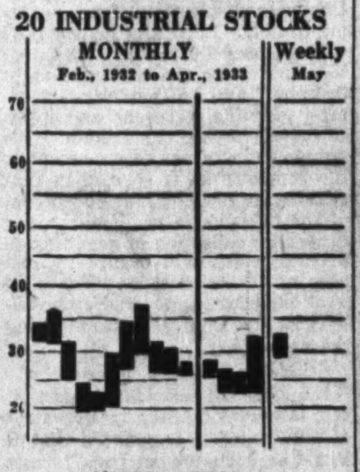
Stock Market



MARKET RECORD

20 Industrial Stocks	High	Low
Week of May 2	32.8	29.3
Week of Apr. 25	31.2	25.6
Month of May, 1932	24.1	15.4
10 Public Utilities		
Week of May 2	46	42
Week of Apr. 25	44	40
Month of May, 1932	42	34
8 Bank Stocks		
Week of May 2	150	145
Week of Apr. 25	148	144
Month of May, 1932	165	151

LITTLE BUYING COMMODITIES SEEN AS YET

Commodities Soar But Buyers Move Cautiously For Present

FEAR "FALSE ALARM"

Executives Indicate That Interest is Greater, But That Action Has Been Lacking

The sharpest upturn in commodities since the middle of last year has failed as yet to arouse any considerable enthusiasm among Canadian manufacturers or merchants, The Financial Post learns.

Though prices of most commodities have soared roughly 7½ per cent in the United States from the low point of the year and the air is filled with inflation and price-raising talk, most buyers are still content to "wait awhile" and see just how things turn out before they spend money lavishly on that fickle damsel, Miss Commodity.

They have been fooled too many times in the past 45 months. Indeed it was less than a year ago that an almost similar buying wave caused many to feel that the price bottom had been reached and sensitive indices soared upwards to above 1931 levels. Then came a slump in September and a relapse of almost 20 per cent occurred. No wonder there is caution.

The same is true of U. S. buyers if current press reports are correct. As Business Week remarked this week: "Those wise in commodity ways rub their eyes for there is little, from a strictly statistical standpoint which warrants this surge to higher levels."

Little Active Buying

A check-up by The Financial Post from representative buyers indicates that little active buying is currently taking place, though the current situation in the U. S. is being watched closely. One textile executive indicated that no immediate buying on the part of retailers was taking place, though some important orders had been booked for future delivery.

An executive of a leading merchandising house expressed the view that there was no need for "plunging" to buy. He said his company's policy was to move very cautiously as yet while political and monetary factors were so uncertain.

A milling executive reported that a short time ago domestic demand had improved as a result of higher prices but that this had now lagged. Foreign demand followed wheat to 55 cents a bushel but then called a halt, the feeling in Britain apparently being that currency stabilization is required before any com-

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Path Made Smoother For World Conference By Washington Talks

In Seven Branches of Great Economic Dilemma General Agreement on Principle Has Been Reached By Statesmen of World

"NEW DEAL" IS FORMULA FOR WORLD

Security, War Debts, Tariffs, Credit Expansion, Public Works, Currency Stabilization and Gold Standard Are Subjects Where General Objectives Are Now Well Understood

By Staff Editor

WASHINGTON.—The World Economic Conference now has an objective and a formula for success. World distress makes the objective obvious; it is economic peace. President Roosevelt has provided the formula for success in his programme of "The New Deal."

In its broad outlines, the Roosevelt policy for world recovery has been clarified by the conversations at Washington between the president of the United States and the visiting statesmen from the chief foreign powers. In outline, the policy has the support of Great Britain, Canada and other countries.

When the World Economic Conference, under the chairmanship of Rt. Hon. Ramsay MacDonald, is opened in London on June 12 by His Majesty George V, it will have not only a well established and well understood purpose — the restimulation of domestic and international trade—but there will be essential agreement between all the more important parties to the conference upon the essential first steps to recovery.

Nature of Understandings

Because no formal agreements were reached at Washington, no detailed statements could be made as to the subjects discussed, the views exchanged or the understandings achieved. But from authoritative information gathered from a wide variety of sources it is possible to summarize the points on which some measure of agreement was attained and to indicate broadly the point of view from which certain world problems will be studied at the conference.

1. SECURITY.—Most important result of the conversations was that President Roosevelt made it clear that, to the extent that he can direct American policy and lead American opinion, the United States will abandon its policy of complete isolation in world affairs; will shed some of its inhibitions against European entanglements; will assume a larger share of responsibility for world peace. President Roosevelt has virtually accepted the MacDonald formula for peace in Europe which involves a limited guarantee of security for France and a minor curb on armaments.

Progress on War Debts

2. WAR DEBTS.—Here again the United States is moving somewhat from its fixed determination that war debts are not a matter of international consequence. The President realizes that he is dealing with a hostile because still uninformed public opinion in the United States. He realizes that Congress would not willingly consent to any settlement of the war debts that in effect transferred any portion of the burden from European debtors to the American taxpayers. He realizes also that Congress would not give him permissive authority to deal with this question of war debts if he aroused any suspicion in advance that his programme called for cancelling or writing down these debts. That is why it is impossible to get at Washington any clear outline of American war debt policies. The President is determined not to give the American people or Congress a sufficiently well defined hint of his policy to arouse antagonistic discussion and bar the way for a realistic settlement all round.

To Die Slow Death

But it is quite clear that war debts are going to go the way of German reparations and gradually be extinguished by a process of settlement and resettlement over a term of years that will undoubtedly be shorter than the period during which German reparations has been forestalling the day of economic peace in Europe.

Some idea as to the course that will be pursued by the president in handling this problem can be obtained from an analysis of official and some unofficial statements. The departure of the United States from the gold standard, it is pointed out, has cheapened the American dollar by about 15 per cent thus giving to the debtor nations a reduction of about that amount in their liability. The provision, whereby war debt payments made during the next six months may be made in silver at a purely fictitious valuation as high as 50 cents per ounce, is another dodge for reducing the cost of any war debt payments made this year. Further concessions, similarly concealed, will be bartered for trade advantages. Step by step, through political devices of this character, the burden of war debts will be reduced to a total well within the economic limitations of the respective debtors.

Tariff Truce Seen

3. TARIFFS.—First achievement is a tariff truce between all nations. This of course is temporary and is merely designed to prevent any nation from attempting to strengthen its bartering position during the coming weeks. Likewise the nations have agreed to the general principle that there must be an all-round reduction in tariffs and that there must be complete elimination of the arbitrary rulings that have been quite as damaging in curtailing the movement of goods internationally.

Roosevelt's Tariff View

The United States is naturally the key country in this business of rewriting the tariff policies of the world. It may be said with complete assurance that President Roosevelt is convinced of the necessity of a complete reversal of traditional American fiscal policy. In Washington last week I received a clear picture of the Roosevelt policy from one of the highest ranking American statesmen, an inti-

(Continued on page 2, col. 5)

Payment of Bonds in Gold In Non-gold Nations Doomed Bondholders Cannot Get It

The gold payment clause which has been an integral part of many types of contracts for over half a century and which has become most widely familiar as determining the basis of the repayment on all types of bonds appears to be doomed as the United States and Canada officially go off the gold standard. In the past two years, practically all important Canadian financing has been done on a basis of payment of "principal and interest in in lawful money of Canada," a phrase flexible enough to protect the debtor from any damage which might result from a change in the gold content of the Canadian dollar.

While on the face of most Canadian bonds it is stated that payment will be made in Canadian gold coin of the present standard of weight and fineness, this contract carries little or no weight if the bondholder demands payment in gold. The federal embargo on the export of gold from Canada makes it illegal to ship gold out of the country without the consent of the Government and this consent is not freely given to individuals or corporations. The purchasing power of Canadian gold and Canadian dollars is exactly the same within Canada and if the bondholder went to the courts to compel payment of principal or interest of a bond in gold, it would be necessary for him to show that the non-payment of gold caused him a loss. This would be difficult or impossible to prove.

Gold Clause Varies

The gold clause takes various forms, the interpretation of which varies in some degree. One of the most usual is "in gold coin of lawful money of Canada" which means that at the time interest coupon or principal mature the holder can demand Canadian gold at the then current standard of weight and fineness. In other words, if the number of grains of gold per dollar should change the holders are obliged to accept the standard of weight prevailing at the time payment is due. Another wording is "in Canadian gold of present standard of weight and fineness," which means that coupons or principal are payable in Canadian gold of the standard of weight and fineness of the time of issue of the security. If the standard of weight and fineness was different at the time payment was due, payment would be made at the equivalent of the standard as to time of issue.

In effect the payment privileges promised by the above-mentioned clauses are non-operative at the present time and will remain so until Canada is again on the gold standard without restriction. The foreign investor holding a security with such a payment privilege might, if sufficient pressure were brought to bear, obtain payment in Canada in Canadian gold coin but could only export it to his place of residence with the consent of the Canadian Government and through a chartered bank. In such a case the Government would charge a fee for exportation which would have the effect of nullifying the gold feature for non-resident holders.

New U. S. Issue Has Gold Clause

In the past few years, a number of curious anomalies with regard to the gold payment clause in bonds and the latest and possibly the most curious is the recent issue of bonds of the U. S. Government on which "the principal and interest of the certificates will be payable in United States gold coin of the present standard of value." On March 16, $942,504,500 of 4 per cent five-month certificates and 4½ per cent nine-month certificates were offered, yet within the week President Roosevelt re-affirmed the penalty that had previously been fixed for the hoarding of gold. This penalty is a fine of not less than $10,000 and imprisonment for not more than 10 years or both and applies in the case of all persons who fail to turn over gold held in excess of $100.

The Commercial & Financial Chronicle of New York asks what is going to happen when the recipient of interest on the certificates and other similar U. S. obligations gets a cheque aggregating over $100, and puts it in the bank for collection. If payment is made in gold, the bondholder and the teller of the bank who makes the payment may be subject to the above penalty and there is apparently no utility in having any gold clause at

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PAYMENT OF BONDS IN GOLD IS DOOMED

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all in U. S. Government obligations.

It is estimated that there are $100,000,000,000 of U. S. obligations which carry the gold payment clause. Canadian obligations with the gold clause might total $10,000,000. Some litigation to decide the validity in the United States of such a clause under present conditions is believed probable Such action might come from foreign investors who wanted payments due May 1 paid in gold to prevent loss on exchange transactions now that the United States dollar is selling at a discount from its former value in the foreign exchange market. General opinion seems to be that foreign investors in U. S. bonds will not be able to enforce payment in gold. If such payment were permitted or a larger amount of funds was made available to foreign bondholders there might tend to be a wholesale export of bonds which could not be permitted to develop.

Nor is it believed that American holders of bonds issued by foreign governments or corporations will be able to obtain payment in gold, as provided in the contracts. The foreign borrowers have a ready defense available in their inability to obtain the metal as a result of the action of the United States Government. Efforts in this class of obligations probably will be directed toward obtaining larger amounts of dollars to compensate for depreciation and thus realize the true intent of the gold clause. The outlook is not favorable even in such cases, however. Parallel litigation instituted in London last year by British holders of Belgian utility bonds floated in the London market turned out unfavorably for the British investors, who were forced by a British court ruling to accept the amount of sterling provided in the contract, regardless of a gold clause and the devaluation of sterling.

In the case of foreign dollar bonds floated in the New York market with a gold clause and subsequently repurchased by investors of the same nationality as the borrower there may be some possibility of success in litigation it is held. Large amounts of German bonds floated in New York have been repurchased by German investors. To a lesser degree this is also true of Australian, Canadian and other dollar bonds.

The use of the gold clause in the indenture of governmental and corporate obligations was stated as far back at 1899 in a decision of the Supreme Court of Alabama:

"The evident purpose of making the bonds payable in gold coin of the present standard of weight and fineness is to give them a fixed and stable value on their face, not subject to fluctuations in the value of certain kinds of circulation medium or to future appreciation or depreciation of the present value of gold coin." An other decision, this time from the Supreme Court of the United States, states that the obligation to pay a certain number of gold dollars is legally nothing else than an agreement by which one party is bound to pay a certain weight of fine metal to the other. Now that the gold standard has been abandoned in Canada, England and the United States the only free gold market is in London and payment in gold is either legally or physically impossible in Canada and the United States.

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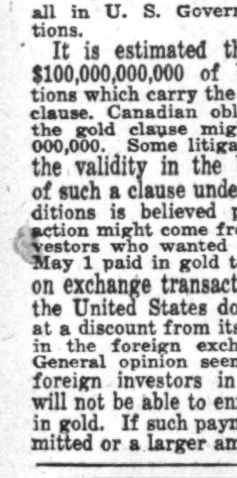
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378F

BRANCHES THROUGHOUT CANADA AND OFFICES IN NEW YORK AND LONDON

The Nation's Business

(Continued from page 1)

one of many able Canadian wheat authorities and most of the others are in direct opposition to any weakening of our wheat offensive in world markets.

Canada may indeed join in the conference. It won't take much time and it won't cost much money. Argentina and Australia will undoubtedly declare their opposition to international agreement on curtailing wheat acreage. Canada should do the same thing. The reduction will come in any event but if there is no interference by governments it will come where it should come, namely, in the United States and in the large importing countries of Europe.

* * *

Federal Reserve Is Now Ignored

THE present position of the Federal Reserve Board in the United States is one of such complete isolation from the realities of either the banking crisis or of governmental monetary policy that it should give Canadians cause to pause and think. The question of the establishment of a federal treasury board or central bank directorate somewhat better informed, more experienced and more influential than the group which now manages the operation of the Finance Act as its sole responsibility in connection with Canadian monetary or credit policy is a live one. The question will have to be given earnest consideration by the soon-to-be-appointed Royal Commission on Banking and Currency.

The Federal Reserve System was set up to give the United States elasticity in its banking system and to enable the government and its advisors to manage the country's currency and credit machinery to avoid panics and excesses in business swings. It has failed to accomplish this purpose for many reasons, a number of which do not represent inherent weaknesses in the central principle of the system. The system was divided into twelve federal reserve bank units, geographically distributed, to prevent concentration of capital in speculative Wall Street. Actually the system has served to concentrate the nation's investment and working capital in a few rather grasping hands as witness the $50,000,000,000 of questionable investments sold to the American public since the war.

* * *

FINALLY the whole system was put under the control of a Federal Reserve Board ostensibly to coalesce the soundest financial opinions and to develop national monetary policies in times of prosperity and depression.

In the great boom of 1926 to 1929 the board was an ineffective instrument for preventing the American people from being exploited through their own excessive enthusiasm and to some extent this was due to the fact that under the régime of President Coolidge, the sponsors of the great bull market — the Mellons, the Mitchells and the international bankers — were able to over-ride the more conservative groups who knew that the country was heading for disaster.

* * *

UNDER the Roosevelt régime the Federal Reserve Board, despite the fact that it is supposed to be the official instrument for determining monetary policy, for advising the president and the banks, and for putting policies into effect has been relegated to a position of complete obscurity. It has only five members, one of whom holds his position by virtue of his occupancy of another office. The governor of the board has resigned and if his resignation were accepted at once there would not even be a quorum for the board. In the meantime, the president and his independent advisors are proceeding to develop a brand new and very radical monetary policy for the country. They are doing it without even consulting the Federal Reserve Board, which will later be filled up with new appointees and be given the task of putting into effect a policy not of its own making.

* * *

THUS during the Coolidge régime, politics made the Federal Reserve Board and the federal reserve system instruments for speeding up the tempo of a dangerous inflation until it was too late for final and somewhat desperate efforts to be of avail in protecting the country. And during the Roosevelt régime they have become a vital piece of machinery completely ignored in the creation of policy.

The situation indicates the difficulty of setting up an independent mediating influence between the politician and the public. The American situation is something to be carefully studied by Canadians in order that we may avoid in this country the establishment of a central banking or monetary advisory system as dangerous as the federal reserve system has in practice turned out to be.

Many Taxes Now Changed In Budget

Changes in the budget announced recently in the House of Commons by Hon. E. N. Rhodes, include the following:

Tax on perfumed spirts reduced from $2.50 a gallon to $1.50.

Cigarette tubes reduced from 50 cents per 1,000 to 40 cents.

Toilet soap reduced from 10 per cent to 5 per cent.

Ruber tires changed from 5 per cent ad valorem to 2 cents per pound specific.

Inner tubes changed from 5 per cent ad valorem to three cents per pound specific.

Unfermented sweet wort reduced from 25 cents a gallon to 10 cents.

Glucose made taxable at two cents per pound.

Malt syrup, or malt syrup powder, extracts of malt, fluid or not, or any other malt product intended for brewing of beer, reduced from 50 cents per pound to 20 cents per pound.

Spirits used in the manufacture of perfume will pay a tax of $1.50 per gallon instead of the $2.50 proposed when the budget was first brought down. The change in the tax on perfumed spirits was the only one, however, the tax of $2.50 per gallon on spirits used in the manufacture of patent medicines, extracts, essences and pharmaceuticals preparations, standing.

Previously to the budget the duty on pharmaceutical spirits was $2.40, $2.42 and 2.43 per gallon, according to classification, while now the flat rate of $2.50 per gallon will cover all.

Manufacturers of wine will be required to pay a tax of $1 per gallon on all spirits distilled from the juices of native fruits for use exclusively by the manufacturers.

IMPERIAL OIL EARNINGS LESS CASH IS STRONG

(Continued from page 1)

duction in those two countries by Imperial Oil's subsidiaries multiplied almost nine times, but has shown a declining tendency in the last four years.

Potential Resources Unaltered

Potential production is about the same as four years ago. The decline has been made in line with the world situation which has been demoralized by the excessive production in the United States. Exploration, which was active four years ago, has been reduced to minimum requirements by the company in both these fields as a result. It sells its crude oil from these two fields on the basis of mid-continent prices in the United States and every decline there has, therefore, had its repercussion on gross earnings. The exact effect cannot be known as the assets and earnings of International Petroleum are consolidated with those of Imperial Oil.

Unaffected by War

The monthly reports from Peru and Colombia during 1932 showed, however, production very well maintained when one takes into consideration such a situation as just described. The war between Colombia and Peru and the recent assassination of the President of Peru, have made no difference to the company's operations as yet and may not, as the scenes of disturbance are far removed from the company's producing districts.

In Peru the total crude production was 7,635,681 barrels as compared with 7,675,719 in 1931, a very small decline. In Colombia, however, total crude production fell from 18,237,190 barrels in 1931 to 16,417,125 barrels in 1932. The production totals in 1933, so far as reported, have moved upward in Peru as compared with 1932. It is understood that only market conditions have affected the decline in Colombia.

Has Unit Control

The possibilities still are there and the company has this immense advantage over its competitors in the United States that, under the laws of Peru and Colombia, unit development and control has been possible. It has, therefore, been able to accommodate itself to the world situation with less loss than would be possible in an area developed according to conditions which have obtained in the United States and Canada.

All the repercussions of war between Peru and Colombia cannot be foreseen, but as there are separate companies operating in each country and employment has been to a major degree confined to citizens of the respective countries so far no damage has been done. No damage is expected. Imperial Oil has managed through its subsidiaries since before the Great War to do profitable business from these countries, in spite of the various troubles which have arisen in the way of rebellions and revolutions. The extreme pressure put by the present depression on political and social systems has been a real danger, shared by all other companies, but in the same degree a return to greater prosperity and activity of business in the world will improve and make a great deal safer the company's operations in South America.

Made Major Decisions

The company executives can look back at the next annual meeting on a most important year. They had to make major decisions of such extraordinary character that they will enter into the economic history of Canada and Newfoundland.

For example, Imperial Oil aided Newfoundland materially in its financing difficulties by agreeing in May, 1932, to underwrite $2,750,000 of a bond issue to be floated by the Dominion of Newfoundland maturing in 1947. In return the company was granted during the period of the bond issue the exclusive right to import and sell petroleum products, gasoline, kerosene and lubricating oil within the Island. This agreement was not so important to the company as it seemed in that the company had already 90 per cent of the business in the country, but it permits collection of royalties on a basis which will eventually dispose of the bond issue. The bond issue can be redeemed by Newfoundland at any time, thus terminating the agreement.

Helps Western Farmer

Imperial Oil made an important and far-reaching step in December of 1932 when it announced that it would accept payment from farmer customers in Western Canada for debts contracted in 1929 and 1930 at a rate that made allowance for the changed value of wheat. Moreover, the company agreed to forgive back and future interest to November 1, 1933, and will not ask for a dollar until that date. Then the payments are to be spread over five years at a lower rate of interest.

This determination to give the Western farmer a "break" involves far larger amounts than that involved in financing the Dominion of Newfoundland. It is understood that between $5,000,000 and $6,000,000 are owed the company for gasoline, kerosene, fuel oil and lubricating oil sold on credit in 1929 and 1930 to 35,000 prairie farmers.

Imperial Oil has always followed a cash policy, but in these years decided to depart temporarily from that policy as a major contribution to the farmers' ability to get in a large crop. Sharp drops in the price of wheat made it impossible for many farmers to pay for this oil, however, and the debts thus incurred added in the end to farm distress though collections were not pressed.

Could Supply Canada Alone

The company has sufficient refinery capacity to supply all of Canada's present needs. The maximum daily capacity is understood to be 97,200 barrels or an annual output of 35,478,000 barrels. This is equal to Canada's maximum consumption in 1929.

With new refineries now being built Canada will soon have 161,450 barrels daily capacity, which works out at 58,929,250 barrels annually in capacity. That capacity is therefore now from 65 to 70 per cent in excess of present Canadian needs. As several of these refineries have only gone into operation at the end, or since the end of 1932, full effect of their competition will not be shown in the annual statement for 1932.

Financing Fuel Oil Burner Sales

The company made an important development in the fall of 1932 when it announced the five year financing plan in connection with sale of Gilbert and Barker oil burners. The only requirement in connection with this financing was that those buying the burners should use Imperial Oil fuel oil. Many burners were sold during the fall and winter months and it is understood that this has helped materially the sale of fuel oil.

Higher agricultural prices would mean a great improvement of its revenue in the prairie provinces. If President Roosevelt uses the power given him to insist on unit production in various oil areas of the United States it will improve the world oil situation and help materially the company's subsidiaries in South America. Improving world conditions will relieve the strain everywhere and especially help Imperial Oil. Even at that it has stood adversity better than most companies.

PATH MADE SMOOTHER FOR CONFERENCE

(Continued from page 1)

mate friend and counsellor of the president, who said to me:

"The United States under President Roosevelt will recognize two basic facts. The first is that as a creditor nation we can no longer pursue the tariff practices that were proper when we were a borrowing nation engaged in the great process of achieving economic self-sufficiency. The second is that, as the United States was the primary aggressor in economic policies that have completely strangled world trade it will be necessary for the United States to take the lead in adopting policies that will unstrangle it.

"It will be a fairly slow process because the American people do not yet understand their responsibilities in this matter, do not understand that they are the chief sufferers from the present world situation and do not yet understand the implications of a policy of tariff reduction.

"Also it is impossible to ignore the fact that huge vested interests have been built up under our tariff policy. Their influence is very great."

Considerable point was given to the last remark of this man by the fact that on the day he was speaking to me representatives of the Pacific Coast lumber mills arrived in Washington by airplane to start their lobby in Congress against the president's proposal that he be given authority to negotiate reciprocal trade agreements with Canada and other countries.

Bi-lateral Agreements

In other quarters quite as influential I was assured that President Roosevelt still adheres to his pre-election promises that he would bring about a reduction of world tariffs under American leadership.

During the Washington conversations, the discussion of specific bi-lateral agreements and specific swapping of tariff concessions was confined to President Roosevelt and Prime Minister Bennett. If Mr. Bennett did not get very far in his conversations regarding a two-way North American trade agreement it was because President Roosevelt is not yet ready nor has he the power from Congress to put his broad general policy into practical application.

Tariff Cuts Anyway

The difficulties that President Roosevelt will meet with in going through with this policy of tariff reductions are well exemplified in the barriers which must be surmounted before Canada and the United States can finally come to agreement. So great are these difficulties, which are not matters of principle but matters of reconciling conflicting but thoroughly understandable selfish interests, that the President and Mr. Bennett are said to have agreed that if a reciprocity pact cannot be negotiated the achievement of their joint objectives will be brought about by a general reduction of tariffs by the two countries on a basis less formal than that provided by a treaty.

Credit, Currency Inflation

4. CREDIT.—It is agreed that a programme of credit expansion in all countries which are in a position to adopt such a policy will be developed and put into effect. The United States has already worked out this programme. Great Britain will follow suit in a restricted degree. The purpose is to flood the banks with money so that there will be ample supplies of cheap capital available for all sound borrowers and so that bond markets, for both public and private borrowing, will be stimulated into activity. It is rather generally agreed that inflation cannot be stopped at credit inflation but that currency inflation, kept under strict governmental control, will be part of the activities of governments.

Pouring Out Millions

5. PUBLIC WORKS.—Realizing that credit can be created in very simple fashion but cannot be put to work without artificial stimulus—unless there is a general return of confidence, which is not yet in sight —programmes of public works will be undertaken by all the leading countries. These, it is hoped, will create an additional demand for credit, will ensure that money that is put into circulation, will stay in circulation for a certain minimum length of time, and will give to private enterprise the leadership that will be necessary if business men and bankers are to show courage in facing the immediate future.

Canada and Spending

Canada's position is regarded as somewhat difficult. Mr. Bennett is said to be of the opinion that the measure of budget balancing that has been obtained in Canada is sufficient to win the confidence of the outside world in the Canadian dollar and in security issues expressed in terms of Canadian dollars. But Canada is somewhat over-expanded in public and industrial works, its debt is still high and it is not in a position to show the same courage born of despair that might be demonstrated by the United States and Great Britain. Moreover, Canada is a borrowing nation and its long term capital must come in some degree from abroad. Canada's contribution to a world programme of reconstruction to public works is likely to be confined to the St. Lawrence Waterway development plus a very limited number of public buildings.

Seeks Stable Exchange

6. EXCHANGE.—Agreement has been reached upon the point that there cannot be any permanent improvement in the world situation until currencies have been stabilized in foreign exchange at definite points of parity which will undoubtedly be new points of parity. It is recognized that there cannot be any merit in tariff agreements so long as those tariff agreements are subject to the hazard of day to day fluctuations in foreign exchanges, completely upsetting the balance between one nation and another. France is almost certain to abandon the gold standard. Despite her protestations to the contrary, despite the fact that France has already gone through one period of serious devaluation of her monetary unit and is anxious to avoid another, it is believed in Washington that she cannot avoid being forced off gold even with the assistance of the British stabilization fund.

Find Natural Levels

The present intention of the leading countries is to manage their currencies in such a way as to achieve at least a stability of prices and possibly, through inflation, an increase in the average level of internal prices. The external value of currencies will be permitted to find their natural levels and when a sufficiently long period of currency management along these lines has elapsed there will be devaluation all around on the basis of the new relationships so determined.

The problem that will face the countries in deciding upon the ultimate bases of devaluation is well illustrated by the position of Great Britain and also by the position of Canada. The best British opinion is that Britain will have to write down the gold content of their pound to a greater extent than the United States writes down the gold content of the dollar. On the other hand, the Americans are reluctant to agree to a new relationship between the pound and the dollar and there will have to be a reconciliation of existing views before it is finally decided whether the parity between the pound and the dollar is to be about 5 to 1 as in the past or 3½ or 4 to one as the British would like to have it. As for Canada, we continue to remain torn between the desire of our farmers and others to participate in the benefits of a definite link with the British pound and the desire of large borrowers to remain near parity with the American dollar.

Go Back to Gold

7. GOLD STANDARD. — It is agreed by all countries that there is no substitute for the international gold standard and that the objective of all monetary policies should be to restore the gold standard as quickly as possible, as the one safe and comparatively reliable method of stabilizing relationships between the currencies of different countries. But the gold standard of the future will be unlike the gold standard of the past. The rules of conduct will be radically revised. Undoubtedly governments will retain a larger measure of control of gold shipments than they have in the past and central banks rather than individuals will determine when and in what quantities gold is to be shipped to maintain exchanges at parity. It is likely that the international banks will play a larger part and some economy in the use of gold will be effected by withdrawing gold coins of small denominations from general circulation, by concentrating at least a portion of the gold reserve of different countries in one central place and confining gold payments to large sums.

Smaller Gold Cover

Likewise there will be a general lowering of the gold ratios behind monetary units and the traditional gold reserve of 40 per cent against currencies will be generally lowered to somewhere around 25 per cent. It is felt that the gold standard can be made to work for the good of the world if the dangers inherent in a shortage of gold, with the consequent deflation in the general price level, can be eliminated by such devices.

These general objectives are admittedly difficult of attainment and it would be asking too much of the statesmen who will assemble at the World Economic Conference to expect them to bring about such far-reaching reforms in a few weeks of discussion. But some progress in the direction of each one has already been made and greater progress will undoubtedly be made at the historic conference shortly to assemble in London.

Success Now Nearer

This much then, has come out of the Washington conversations. Two weeks ago the conference had a moderately clear programme in the form of an agenda prepared by the theoretical experts at Geneva but it was faced with the almost certain prospect of self-centred misunderstanding on the part of different nations which construed their interests as conflicting. Today, much of the misunderstanding has been removed. The process of suspicious negotiations on matters, vital in principal, has been largely concluded.

Disagree on Details

But while the broad outlines of the world programme for recovery have been sketched in and have found international agreement, great confusion exists as to details. Any consideration of the multiplicity of conflicting interests that stand in the way of reaching the universal objective sought by all suggests a picture of hopeless chaos and disagreement.

The situation is not unlike that which existed at Ottawa last summer when the nations of the Empire met together in an attempt to strengthen the political framework of Empire by adding to it a superstructure of economic solidarity. It was only a brand of clear-headed, unselfish statesmanship that brought even a semblance of success out of the Imperial Economic Conference. That conference met with the idea clearly fixed in the minds of each of the delegates that the complete breakdown of their negotiations would lead to the early disruption of the whole British Commonwealth of Nations as a world political and economic unit. The World Conference meets without any similar stimulus to success but it has a substitute stimulus which is best expressed in the belief of President Roosevelt that an early reversal of the economic trend is essential for the salvation of our present economic civilization. It is no exaggeration to say that the chances for success at London have been greatly enhanced by the conversations at Washington, which were the result of an impulsive gesture by the new American president but which all nations agreed were valuable and, in fact, necessary.

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33-14

New United States Minister Is Brilliant Career Diplomat

Warren Delano Robbins, First Cousin of President; Given His First Important Legation

By FLOYD S. CHALMERS

WASHINGTON—Warren Delano Robbins, new United States minister to Canada, (if the Senate confirms his appointment by President Roosevelt) is a "career man." That is to say he entered the United States diplomatic service to make it his life work; to achieve a reputation through the painfully slow process of slugging one's way to the top. It is painful not in the sense of being unenjoyable; there is no life more pleasant than that of the young diplomat of independent means. But it is painful because every once in a while, when one of the juiciest of diplomatic plums is ready for the picking, the president, instead of handing it to one of the career men who have worked for a quarter of a century to deserve it, plucks it and hands it to a defeated senator, a wealthy supporter of the party or (very frequently) the publisher of a key newspaper that helped to swing a doubtful state.

Warren D. Robbins

Mr. Robbins is a career man. Appointment to the Canada legation is his most important post to date, although it should be an easy job compared to his present position of chief of Protocol. He has seen a large part of the world in the diplomatic service but his only former ministry was to San Salvador. Recently he has been an important division chief in the State Department, which qualified him for an appointment as important as that of minister to Canada.

Type Canadians Will Like

Mr. Robbins is going to be popular in Canada. He is not the quiet dignified scholar that Mr. Phillips was. He is not the "hail fellow, well met" combination of range rider and kiwanis president that Col. McNider was. He is spiritually youthful, jovially alert, diplomatically frank, personally charming, sartorially effective and thoroughly expressive of what an old American lineage, aided and abetted by a Groton-Harvard education and diplomatic service in a half a dozen tongues, can produce.

The new minister is 48. He is a first cousin of the president. His mother was a Miss Delano. Mr. Roosevelt's mother was a Miss Delano. The two mothers were sisters.

Just out of Harvard, at the age of 24, Mr. Robbins went to Lisbon as a private secretary in the legation there. Then he was sent to Buenos Aires, also as a private secretary. This was part of his try out. In Buenos Aires he fell in love with the beautiful Irene deBruyn, whose father, a Belgian banker, had lived half a century in the Argentine, and whose mother was an Argentine lady. They were married; Robbins came home to try his final examinations, and passed them easily by virtue of an agile mind and a gracious manner that charmed his examiners, and went off to Paris to be no less a personage than a third secretary in the U.S. Embassy there.

Met Bessborough There

Paris brought him a friendship that will serve him well at Ottawa and smooth the passage of a diplomat who knows little of Canada's economic problems, who knows few people in Canada, whose nomination comes at a time when important conversations are taking place between the governments of Canada and the United States. In Paris he became intimate with the Neuflize family and with the young Lord Duncannon who was courting a daughter of that family. He attended the wedding that made that Neuflize daughter Lady Duncannon and later Countess of Bessborough.

Under Blazing Suns

The third secretary was promoted to be a second secretary, this time to the embassy in Mexico City. But he never went to Mexico. He was due to go in April 1914. Those with long memories will recall that the United States navy dropped a couple of shells on Vera Cruz in that month; that American soldiers dropped in on the Mexicans to teach them the necessity of respecting American interests in their guerilla warfare among themselves; that the American ambassador left Mexico. In brief there was a war between the United States and Mexico that lasted just long enough to give the Hearst papers an eight column thrill. By the time the trouble was over, Mr. Robbins was on his way to Guatemala as secretary of the legation. He is too much of a diplomat ever to write a book about Guatemala and its fiery politics but he could write such a book. Possibly one of the things he would comment on is that in the whole of Guatemala there isn't a single citizen, not even the head of the state, who lives in the comfort and luxury that the Guatemalan minister in Washington enjoys in his three-story brick house on Corcoran Street.

His First Ministry

Followed the usual round of diplomatic promotions; back to Buenos Aires, on to Santiago; brief periods in Washington looking after visiting missions from France and Belgium, and pinch hitting as head of a division, chancellor in Berlin, chancellor in Rome and finally in 1928 a full fledged minister with his own legation in Salvador, not a big job but a milestone for any young career man.

Then in 1931 President Roosevelt made him chief of protocol at the State Department in Washington. Chief of protocol sounds rather impressive and indeed the duties are rather impressive. To the average man the mere listing of them presents terrors. His duty is to entertain all distinguished foreigners, looking after all arrangements from the time the battery guns at the harbor give a salute of the exactly proper number of guns, through the whole rigmarole of receptions, dinners, presentations, etc., back to the harbor again; to arrange for American participation in all ceremonials abroad; to write the president's letters to foreign governments; to write messages of condolence, congratulation, etc; to keep the diplomatic list up to date and know every one's rank so that seating arrangements cause no heart burnings, etc., etc., and still etc.,

Arranges Ceremonials

On top of this Mr. Robbins has acted as ceremonials officer for the White House. How much work he has had to do when the prime ministers and high dignitaries of Britain, France, Germany, Canada, Japan and other countries have been parading in rapid succession into the White House for conferences with the president may be left to the imagination.

The new minister to Canada rides well. He has followed many a pack of hounds in Britain and on the continent. He is interested in skating and looks forward to skating in Ottawa. He has one daughter, who will be in Ottawa with him. There are two sons, both at Harvard, following in the father's footsteps. One of them is the studious type not much interested in athletics. The other stars in various sports. His chief athletic interest is hockey; last season he played on the Harvard junior team; next year he has ambitions of making the senior team which would put him in a position to play hockey with teams from Canadian universities.

The daughter's name is Irene Helen; the sons are Warren D., Jr. and Edward H.

As this is written the nomination of the president is awaiting confirmation by the Senate which is practically a foregone conclusion in this case, although not always so. Mr. Robbins will no doubt come to Canada as quickly as he can, get established and return to Washington to turn over the unfinished public business to his successor.

J. M. Cork Knows His Groceries; Keen Buyer Named Loblaw Head

Successor to Late T. P. Loblaw is Man Who Helped Chain Founder Build Great Enterprise

By B. T. HUSTON.
Editor "Canadian Grocer"

A new president has been chosen by the board of directors of Loblaw Groceterias. The selection is J. Milton Cork, senior vice-president who has been associated with the company since its inception in August of 1919. He has been closely identified with every move the company has made in its fourteen years of existence and with every departure from the original established methods.

Mr. Cork knows his groceries, and that is as it should be. He entered his father's store as a clerk nearly half a century ago and has been in the grocery business ever since, first as clerk, then as owner of a business and at one time as partner in a single store establishment with the late T. P. Loblaw. His last individual store was at 528 College, Toronto, now a unit of the Loblaw chain although the store itself is still owned by Mr. Cork.

Sell on Quality Basis

It has been a principle of Loblaw's from its inception to buy and sell groceries on a quality basis. I have often watched the new president of Loblaw Groceterias Company selecting goods offered him by manufacturers. I have seen him use a magnifying glass to determine what kind of figs were used in the fig bars — or, figuratively speaking, whether the nutmegs were wooden or there was sand in the sugar. Everything he buys is most carefully inspected. The purchasing of quality goods is simply one of his hobbies. Loblaw buying has always been under his supervision. As the business has developed, the routine has been passed on to various lieutenants but he continues to look after the major contracts and arrangements.

Is Keen Buyer

Men who call on him will tell you he is one of the keenest and shrewdest buyers on the continent. They will also tell you that he is fair and above-board but that he must be shown that no competitor buying the same goods is securing any advantage. Once this is quite understood, the salesman has fairly clear sailing. He knows the merchandise that the Loblaw stores can sell. The stores have been particularly successful in putting across new lines of merchandise by means of their particular system and sales ability.

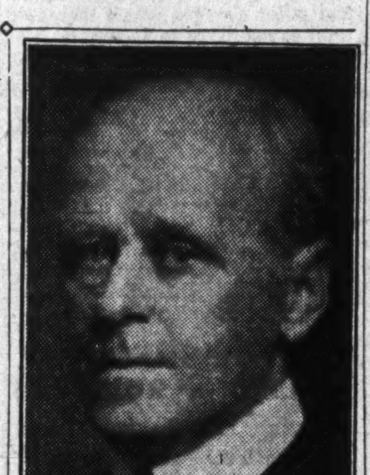
"Give us good quality merchandise, attractively put up and at the right price, and we can sell it." Mr. Cork has frequently told the writer.

But Mr. Cork's ability has not been confined entirely to buying. He also supervises the merchandising end of the business. This work takes him in and out of the 107 units of the chain in Ontario and in and out of every store in the United States chain centred in Buffalo, N.Y. He can size up at a glance just what is wrong in a store. A constructive talk with the manager usually puts it right. He is a student of advertising. He studies carefully various business publications to get the latest ideas, watching for the catchy advertising adopted by the large food firms in both business and general publications and applying many of these in the firm's own publicity to the consumer.

Is Widely Travelled

Mr. Cork is a widely travelled merchandiser. He makes frequent trips to the United States visiting the aggressive retail stores to pick up new ideas. Many of these are changed and adapted to the Loblaw type of self-serve store. He is not content to rest on past achievement but always has an eye out for changing tendencies, for something new. It is this particular trait in his character that has kept the chain of stores over which he has had merchandising control for so long, well up in the procession. Naturally during the past two years, volume of business has declined as it has done with practically every other type of store. The decline however, has been gradual and due entirely to lower cost of merchandise and not to any falling off in total tonnage. The fact that his company has shown over 7 per cent net profits on sales—or the largest by far of any chain concern on the continent indicates briefly the service given to it.

The first time I met J. M. Cork was at a meeting of retail grocers in a lodge room in the old Temple Building on Bay Street, Toronto, nearly 24 years ago. He was one of a handful of retail grocers assembled to help better conditions in the grocery trade, improve methods of retailing and thus get in a better position to meet competition which was then the strongest from the big department stores. These big stores were in position to purchase most of their supplies direct from manufacturers at jobber discounts, making it difficult for the small retailer to successfully answer the criticisms of consumers about prices.



J. MILTON CORK
Named president of Loblaw Groceterias to succeed late T. P. Loblaw.

Is Largest Shareholder

I have interviewed him regularly since that time and have seen him step up to his present commanding position in the retail grocery trade. He is today the largest shareholder in the Loblaw Company and a millionaire. By the yardstick with which most of us measure success he has attained it. And yet he is the same Milton Cork I used to meet at those small retailers' meetings—always affable, always considerate for the other fellow and never with a semblance of the "swell-head" or the "high-hat." Yesterday, today and tomorrow are all the same as far as his interest in his old friends is concerned.

Mr. Cork is the same at recreation as in business. He throws his whole heart into the game. Watch him bowling on the alleys or playing on the links; he puts enthusiasm into the job at hand and does not permit his mind to go wool gathering. But he has never been fond of the limelight, either in business, in social life or sport and is content to let the other fellow have the glory.

This then represents in brief the type of man who has become the head of one of Canada's most outstanding retail enterprises—a business that in a dozen short years has grown from nothing to a $13,000,000 annual turnover.

Loblaw Groceterias Successful Record Due to Management

The development of Loblaw Groceterias Co. to a chain of 107 stores located throughout Ontario, from a single store started in Toronto in 1919 is the development of an idea put into practical form by the late T. P. Loblaw, until his recent death, president of the company. Engaged in the actual expansion of the idea from the start was J. Milton Cork, newly-elected president of the company, and close associate of Mr. Loblaw from his apprentice years.

M. W. Waddington has been added to the directorate of the company. Officers and directors are now as follows: J. Milton Cork, president and general manager; Charles B. Shields, vice-president and assistant general manager; Daniel Urquhart, has been elected vice-president and remains as secretary-treasurer. In addition to these officers the directorate includes H. G. Muntz and M. W. Waddington.

The basic idea of a self-serve groceteria, handling a wide variety of quality produce at low prices has proved sound and has resulted in a rapid expansion of business that stopped only when declining commodity prices and reduced purchasing power of the public affected sales of all chain grocery stores. Sales of Loblaw Groceterias Co. have shown good resistance to the downward trend prevailing.

Sales of the company reached a peak of $18,435,000 in the fiscal year ended May 31, 1930, when 95 stores were in operation. During six months of 1920, the earliest period on record, sales amounted to only $237,978 in the two stores then operated. Expansion was slow in the first few years and by 1923 only 12 stores were in operation but from then on more stores were opened each year and the period of greatest expansion took place in 1928, 1929 and 1930.

Has Character

While it operates in the chain grocery store field the company differs in many respects from its competitors. The inventory in each store is considerably above the average of other chain grocery stores and a greater variety of lines is available to customers. As a result sales per store and profit per store are larger than is the case with the majority of other grocery chains on the continent. Low cost of operating the stores, efficient methods of warehousing and delivery and profits on manufacturing yield a comparatively high profit on each dollar of sales.

In the early years the company's capital was largely raised from private sources and it was not until 1925 that the first public financing was done. Capitalization of the company, upon incorporation in 1921 was $240,000 of 8 per cent preferred stock and $360,000 of common stock both classes of shares having a par value of $100. When the company paid a common dividend of 4 per cent in 1932 the dividend on the preferred stock, due to the participating feature, was increased to 12 per cent. At that time $182,000 of 8 per cent prior preference stock was issued.

Many Stock Splits

The company was publicly financed in April, 1925, with the issue of $545,000 of 7 per cent prior preferred stock. Of the 12 per cent second preferred stock there remained $237,000 outstanding and the old common stock was split 20 for one making 72,000 shares outstanding with no par value. In 1926, the common shares were again split two for one and the second preferred shares were retired by exchanging each share for six shares of common. Late in 1926, and again in 1928, rights were issued to common shareholders to purchase additional common stock in each case one new share being available for each 10 shares held. In 1929 the common shares were split four for one, of which two were designated class A shares and two were designated class B. At the same time preferred shareholders were offered $140 per share for their stock or the option to exchange each share for six shares of class A stock. In 1929 rights were offered to A and B shareholders to buy one new share of A stock at $10 for each 10 shares held. The preferred stock having been retired in 1929, there remains 462,666 shares of class A stock and 383,000 shares of class B stock outstanding. The company has never had any funded debt.

The class A and class B shares differ only in that class B shares have voting power and class A shares are entitled to cumulative preference dividends of 50 cents per share and participate equally with class B shares in any further payment of dividends after the class B shares have received 50 cents.

Has Strong Cash Position

At the end of the last fiscal year the company had total assets of $6,332,012 of which $3,376,940 was in current assets and $3,568,444 was in fixed assets. Current assets included inventories of $1,359,882, which have a rapid turn-over, while some $1,900,000 was in cash and high grade securities. Current liabilities amounted to only $883,758 so that the company had a working capital of $2,493,182 and a ratio of current assets to current liabilities of $3.82 to 1.

Sales have fallen off in the past three years although profit has been comparatively well maintained and the annual dividend requirement of 80 cents per share on the class A and class B stock has been well covered. In December, 1932, there was declared a bonus of 20 cents per share and it appears that total payments of $1 per share in the current fiscal year will be earned.

A statistical record of the company's growth is as follows:

STATISTICAL RECORD, YEARS ENDED MAY 31

	Sales	Net Earnings	% Earns to sales	Stores	Sales per store	Earnings per store
1920†	$ 237,978	$ 13,894	5.84	2	$118,989	$ 6,947
1921‡	694,932	17,428	2.51	4	173,733	4,356
1922	1,829,577	67,339	3.68	8	228,697	8,417
1923	3,136,672	124,955	4.00	12	261,389	10,413
1924	5,066,306	211,776	4.18	20	253,315	10,588
1925	6,135,192	275,192	4.51	29	211,556	9,504
1926	7,717,459	395,272	5.12	40	192,936	9,882
1927	10,517,093	629,140	5.98	49	214,509	12,819
1928	13,975,186	798,486	5.71	65	215,003	12,285
1929	16,552,739	922,202	5.57	80	206,159	11,527
1930	18,435,087	1,190,328	6.46	95	194,054	12,530
1931	17,010,191	1,206,634	7.09	99	171,820	12,188
1932	15,120,933	1,180,841	7.81	104	145,394	11,354

† Figures cover 5¾ months ending August 31, 1920.
‡ Figures cover 9 months ending May 31, 1921.

RETAIL SALES INDEX GAINS 18 PER CENT

March Figures Follow Usual Upward Seasonal Trend

Usual seasonal increases are shown by the index numbers of retail sales compiled by the Dominion Bureau of Statistics, the general index rising from 61.6 in February to 72.8 in March, ten of the eleven groups showing increases from the previous month. These indices are compiled on the base of 1929 equals 100 and are not corrected for seasonal influences or price changes. Compared with March a year ago all indices are considerably lower.

Sales of six chains of candy stores are the only ones which fail to gain from the previous month, the index of 53.4 being only slightly ahead of the January figure which was the lowest since this compilation was started in January, 1929.

Comparative indices of the various groups compared with the previous month and March, 1932, are as follows:

Index Numbers of Retail Sales
(1929 = 100)

	Mar. 1933	Feb. 1933	Mar. 1932
Boots and shoes	49.2	43.7	62.5
Candy	53.4	59.1	103.0
Clothing	72.4	41.1	85.8
Drugs	75.8	70.2	90.8
Dyers & cleaners	73.4	68.0	88.3
Furniture	42.5	31.1	49.5
Gen. & depart.	75.2	66.7	89.3
Groceries & meats	79.0	67.4	88 2
Hardware	58.3	44.5	65.6
Music & radio	20.1	17.1	31.9
Restaurants	56.9	51.2	67.3
General	72.8	61.6	85.3

Copper Production Increases

Canada produced 22,950,527 pounds of copper in January this year, or an increase of 741,206 pounds over the output for December last year and of 3,275,511 pounds over January, 1932, according to a report of the Dominion Bureau of Statistics.

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NEWSPRINT PRICE STABILITY RESTS WITH CANADIANS

Graustein Tells Stockholders Predictions Are Futile

From Our Own Correspondent

MONTREAL.—The hope of price stabilization in the newsprint industry lies in the future attitude of Canadian financial interests and unless there is co-operation among them, no permanent improvement, or even perhaps temporary improvement, can be accomplished by the rest of the industry. This is the opinion expressed by Archibald R. Graustein, president, at the annual meeting of the shareholders of International Paper and Power Co.

Reduce Bank Debt

In presenting the financial report for 1932, which showed a net loss of $8,757,728, President Graustein declined to make any predictions for 1933. In answer to questions of several shareholders, he said that neither government nor business leaders know whether the bottom of the depression has been reached and that prophecy under such circumstances would be futile.

Summarizes Position

One of the substantial accomplishments in 1932, he said, was the reduction in the bank debt of the company and its subsidiaries, due in large part to the refunding operations of New England Power Association which during the year marketed $18,000,000 in 20-year bonds of Connecticut River Power Co. and $9,000,000 in 5-year notes of North Boston Lighting Properties.

Summarizing current conditions, Mr. Graustein said:

"On the credit side of the ledger we have a number of favorable factors. First is the recognized high efficiency of our paper mills which continue to maintain very low production costs. Then there is the aggressiveness of our sales force which has enabled us to obtain our full share, based on capacity, of such demands as exist. A third favorable factor is that our power properties are located for the most part in territories where industry has had more than average stability during the depression and where business will recover rapidly when the turn comes.

Propose Tax Utilities

"On the opposite side of the ledger, however, are factors which we cannot afford to ignore. The first of these is political uncertainty, with the threats of unfair and discriminatory legislation against privately-owned utilities. The pending tax bill in Washington which would impose a 3 per cent tax on gross earnings of electric companies, is a case in point. If this legislation becomes law a precedent of extraordinary danger to the electric industry will have been established. Coming at a time when utility earnings have already suffered from the cumulative effects of the depression and from rate reductions, this proposed 3 per cent tax would have a ruinous effect on many companies.

Competition is Unfair

"A second adverse factor is the chaotic condition in the newsprint industry, in which competition of the unfairest sort has forced prices down to ridiculously low levels. This is a situation which can only be cured by a constructive programme in which the entire industry will co-operate. The hope of price stabilization lies in the future attitude of Canadian financial interests, and unless there is co-operation among them, no permanent improvement, or even perhaps temporary improvement, can be accomplished by the rest of the industry."

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CANAD. AIRWAYS INCOME REFLECTS AIRMAIL STOPPAGE

Operating Revenues for 1932 Were Less Than Half Previous Year

From Our Own Correspondent

MONTREAL.—Federal economies in airmail service had a material effect upon operations and earnings of Canadian Airways Ltd. during the past year. Conditions generally also were unfavorable in the air transport business and this led to severe rate cuttings by different operators which in turn had its effect on gross income.

Operating revenues of Canadian Airways last year amounted to $676,000, or less than half of that reported in the preceding year, and about one-third of that reported in 1930. After providing for operating expenses, depreciation and other charges, the company had a net loss for the year of $634,780 compared with $263,830 in the previous year.

Carried Forward Deficit

Particulars of the profit and loss account for the past three years, together with a summary of working capital position follow:

	1932	1931	1930
	$	$	$
Oper. rev.	676,000	1,412,797	1,817,543
Expenses	987,111	1,228,934	1,464,188
Oper. profit ..	*310,230	183,862	353,355
Deprec.	341,023	463,821	418,332
Oper. loss	651,253	279,958	64,976
Int. & dis.	16,473	16,128	3,728
Net loss	634,780	263,830	68,704
Prev. loss	332,535	68,704	......
Total loss	967,316	332,535	68,704

*Operating loss.

WORKING CAPITAL POSITION

	1932	1931	1930
	$	$	$
Curr. assets ..	864,421	1,104,200	984,286
Curr. liabs. ...	264,068	77,493	103,178
Work. capital	600,353	1,026,707	881,118

Show Bank Loan

Assets of Canadian Airways at the end of last year had an aggregate value of $2,666,651, down from $3,112,227 at the close of 1931. The principal change among liabilities is the appearance of a bank loan of $200,000. Mortgages were reduced from $85,000 to $70,000.

Among capital assets equipment shows a decline in value of about $200,000 at $363,132. Property account remains much the same at $346,067. The other items on this side of the balance sheet, concerning current assets, do not show any material change from those reported in the 1931 statement.

Comments on Outlook

In discussing the outlook for the company, James A. Richardson, President, had the following to say:

"Present air mail work for the Dominion Government is limited to sundry casual runs and several daily schedule runs involving short distances. Considering the low monthly mileages and flying times involved in these operations, and the prevailing rates, net profits therefrom are impossible. Based upon the present conditions, the immediate prospects are obscure and uncertain. However, with the return of better general business conditions, which are confidently expected, with consequent beneficial effect on Government finances, there should be a general reinstatement of air mail services at rates of compensation which will enable the operator to earn a profit on invested capital. The inauguration of a trans-continental mail service should be a relatively early development. Work has been proceeding, as a phase of unemployment relief, on the emergency fields across Canada. Other construction work in connection with this project will soon be undertaken. When the Dominion Government is ready either to restore former services or inaugurate new ones, your company should be in a most favorable position to contract for the work by virtue of its experience, financial responsibility, and other general qualifications.

Mining Activity Helps

"The other promising phase of 'bush' operations is the upward trend of volume of traffic in freight and passenger from the numerous mining areas in Canada. Your company's airplanes are serving every mining area of consequence in the Dominion, including Burns Lake, B.C.; Great Bear Lake, N.T.; God's Lake and Island Lake, Manitoba; Sioux Lookout and Chapleau, Ont.; Rouyn, Pascalis and Chibougamau, P.Q. Moreover, plans are being made to transport prospectors to the new Labrador gold area at the opening of the next season.

"With the return of better business conditions the demand for aerial photography should revive, and forestry patrol work should be made available for your company by the Provincial Governments.

"Finally, while present conditions and the immediate prospects provide no basis for accurate forecasting, it would seem reasonable to expect that air mail and other operations should in due course reach a volume to be established on such a price basis as to assure you of profits on your investment."

Can. Airways Traffic Gains in February

From Our Own Correspondent

MONTREAL.—Total of hours and mileage flown by Canadian Airways in February together with freight and passengers carried all showed increases over figures for the previous month. Hours flown were slightly higher at 841, and mileage for February was up 1,500 miles at 75,800 miles.

Mail freight and express carried totalled 179,361 pounds compared with 113,230 pounds in January while passengers carried were 756 a gain of 143.

National Steel Car Given Tank Order

From Our Own Correspondent

MONTREAL. — National Steel Car Corp. has received an order for 50 tank cars from British American Oil Co. and work will be commenced immediately. The order has a value of around $150,000.

The business is particularly welcome in view of the absence of orders from railways for rolling stock. Plants have been slack for some months; no dividends have been paid on the capital stock since January last.

Reflecting plant inactivity, earnings in the year ended June 30, 1932, were $59,483, which included the sum awarded the company on account of reparations. In the previous year earnings have been $440,595.

RUNNING TRADES REFUSE TO ACCEPT REPORT ON WAGE

Ottawa Predicts Compromise at 15 Per Cent Below Pre-war Rate

From Our Own Correspondent

MONTREAL.—Refusal of locomotive engineers, firemen, conductors, trainmen and telegraphers, employed by the C. P. R. and C. N. R. to accept the majority report of the Conciliation Board favoring a reduction of 20 per cent in wage rates and their application for a 10 per cent reduction, will probably result in a compromise, reports from Ottawa state. It is generally expected the new agreement will be based upon a 15 per cent cut in the post-war schedules, though interests closely affiliated with the railways are certain the new cut will be 17½ per cent.

Want 20 per cent Reduction

It will be recalled that the running trades and the Canadian Pacific and Canadian National Railways agreed upon a 10 per cent decrease from the basic rates, agreed upon between the parties in 1928 and 1929, has been in operation since the beginning of December, 1931. This agreement extended for a year and upon the expiration of the term, the running trades were asked to take an additional decrease of 10 per cent, bringing the total reduction up to 20 per cent from the basic rate. The company had proposed that the additional 10 per cent cut date from March 3, 1933.

The majority report of the Conciliation Board favoring the reduction as from May 1 last was signed by Mr. Justice G. F. Gibsone, of the Quebec Superior Court, chairman, and George C. McDonald, Montreal, representing the railways on the Board. W. F. O'Connor, K.C., Toronto, third member of the Board, nominee of the men, dissented.

The majority report, which is a lengthy document, has the following to say in conclusion:

"On the whole we find that there has been a decrease in the current price and value, in terms or money, of labor, of all classes, or not less than 20 per cent between 1929 and February, 1933; we find that there are no reasons for suggesting that the employees in question should be exempted from this percentage of reduction; we find that by the seniority and demoting and monthly maxima rules the work available has been reserved for seniors to the evident exclusion of juniors.

"We believe, though this was not established by proof before us, that if the work available had been equitably divided up among the total number, instead of being kept for the seniors to the exclusion of the juniors, there would probably have been no distress among these latter, nor among any of the whole 24,000; that by reason of those rules the juniors are really not interested in the proposed cut, only the seniors are, and they have been in regular employment at almost full regular rates throughout the depression period; that the opposition to the companies' proposal is made by or on behalf of the seniors; that in the circumstances the cut will throw no undue hardship upon them."

Minority Report View

In the minority report, W. F. O'Connor, says in part:

"According to the merits and substantial justice of the case the proposal of the employing companies should not be approved for the reason that agreements or collective bargains made between the parties, employers and employees, in the years 1927 and 1929 concerning working conditions, wages and hours of labor remained and were in full effect and no notice has ever been given of intent or desire to change them.

"A further reason is that such agreements or collective bargains constitute and disclose a condition with relation to wages which cannot be lawfully changed unless and until, after notice has been given under the Industrial Disputes Investigation Act stating an intent or desire to change such condition, a board established under that act to deal with any consequent dispute has reported and that act had been otherwise complied with."

First Quarter's Earnings Higher

FOR the first quarter of 1933, net earnings of Canada Northern Power Corporation were $29,239 higher than the net for the corresponding quarter of 1932. This consistently upward trend of earnings is largely due to the intensive development of the gold-mining areas of Northern Ontario and Quebec, served by the Company with hydro-electric power.

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CANADIAN PACIFIC OPERATING INCOME LOWER THIS YEAR

Returns for First Quarter Decline $719,936 from 1932 Figures

From Our Own Correspondent

MONTREAL.—Decline in gross and operating revenues of the Canadian Pacific Railway, which set in in 1929, continues unarrested.

Gross earnings for March last totalled $8,800,156 and operating expenses $7,922,660, leaving a net operating income for the month of $877,495. For the corresponding month last year, gross revenue totalled $10,272,786, operating expenses $9,102,284 and net income $1,170,502, or $293,006 more than that reported for March of this year.

For the first quarter of 1932 the Canadian Pacific had a gross operating income of $25,572,705, or $4,947,331 less than for the initial three months of 1932. Operating expenses were reduced from $26,502,621 to $24,275,226, leaving a net income for the first quarter of this year at $1,297,479, as against $2,017415 for the corresponding period of 1932.

Steady Decline Since 1928

The net operating income for the first quarters of the past seven years is shown in the following comparative table:

1933	$1,297,479
1932	2,017,414
1931	2,477,500
1930	3,738,894
1929	7,643,579
1928	8,314,294
1927	6,462,626

Operating income during the first quarter of the year is normally small. The extent of earnings during the year will depend very largely upon the volume of grain to be moved from the West to seaboard in the fall months. Recent indications point to a relatively good movement of grain for the early spring months. It is still too early to forecast the possible demand for grain in the fall months.

MONTREAL FIRM PLAN TO DEVELOP WESTERN POWER

Revive Old Scheme Utilize Resources at Fort à la Corne

From Our Own Correspondent

MONTREAL.—Plans have been submitted by the Fraser Brace Engineering Co., of Montreal, to the Saskatchewan Power Commission for the establishment of a hydro-electric plant on the Saskatchewan River, near Fort à la Corne, to supply electric energy to a large number of centres in the province.

In its preliminary form the scheme would involve the taking over of the Commission's steam-electric plant at Saskatoon as a stand-by unit. The Fraser Brace Co., it is stated, would not make a start on the proposed project without the assurance of a market there.

Scheme is Practical

The possibility of developing power at a site near Fort à la Corne has been under consideration for some years. In a report prepared for the provincial government in 1931 by H. G. Acres & Co., consulting engineers of Niagara Falls, Ont., this scheme was pronounced physically and economically feasible. At that time, it was estimated, 125,000 h.p. could be developed at a cost of $12,207,135.

It is understood that the Fraser Brace Co. have been interested in this project for some time. E. H. Rollins & Sons, investment bankers of Boston, who at one time maintained a Canadian office in Montreal, had an interest in the scheme and were considering the financing of the project.

The power site considered by the Acres Co. is 2½ miles below Fort à la Corne and is approximately 40 miles east of Prince Albert, 110 miles from Saskatoon, and 190 miles from Regina.

CANADA NORTHERN INCOME ADVANCES IN FIRST QUARTER

Both Production and Revenue Ahead of Last Year's Record

From Our Own Correspondent

MONTREAL.—An increase in power generated and net income is reported by Canada Northern Power Corp. for March last. In that month gross revenue totalled $293,569, operating expenses $91,816 and net income $201,753. For the same month last year income aggregated $283,929 and after the payment of expenses, net revenues equalled $194,069.

During the first quarter of 1933 Canada Northern's gross operating income totalled $897,652 as against $866,348 for the same period of 1932. Expenses showed a slight increase, leaving net income at $625,686 compared with $596,447 a year ago.

Output Sets Record

During March this year power generated by Canada Northern totalled 39,495,280 kw.h., as against 36,712,110 for the same month last year. During the initial quarter of this year production totalled 114,522,480 kw.h., an increase of about 7,100,000 kw.h. over the same three months of 1932.

It is anticipated that both production and revenue will show a further improvement in April inasmuch as the company has commenced deliveries of power to the Beattie Gold Mines in northern Quebec. It will be recalled that this contract was secured in competition with the Ontario Hydro-Electric Power Commission which wanted to sell power to the Beattie from the new Abitibi Canyon project, which was recently taken over by the Ontario Government from the Ontario Power Service.

Distribution By Dominion Power Now Totals $66

Fourth distribution of capital to be made by Dominion Power & Transmission Co. was made on May 1 at the rate of $2 per share bringing the total distribution to date up to $66 per share. In a letter announcing the distribution, W. E. Phin, president, states that the directors have continued their efforts for liquidation of the company's affairs that are still outstanding and that these are being reduced in number as quickly as possible.

Following sale of the company's properties to the Ontario Hydro-Electric Power Commission in August, 1930, for which the company accepted bonds of the Commission, an initial distribution of $50 per share was made on Oct. 15, 1930. At that time, it was stated that common shareholders would realize approximately $70 per share depending upon the price which the company received for its Hydro-Electric bonds. On Nov. 17, 1930, another payment of $10 was made while the third payment of $4 per share was made on Oct. 1, 1932.

NATIONAL SYSTEM REVENUES LOWER IN FIRST QUARTER

Operating Deficit Larger Than for Similar Period in 1932

From Our Own Correspondent

MONTREAL.—Gross earnings of $11,399,215 of the all-inclusive system of the Canadian National Railways during March, 1933, were $2,856,290 lower than reported for the same month a year ago.

Further economies were effected by the Canadian National, resulting in a reduction in the operating expenses from $13,758,605 in March, 1932, to $11,654,522 for March this year, a saving of $2,104,083. Economies effected, however, were insufficient to effect an operating profit for March, 1933, deficit of $255,307 being recorded compared with an operating surplus of $496,900 a year ago.

Chalk up Deficit

For the first three months of the current year, gross revenues of the Canadian National System totalled $30,579,027, a decline of $9,027,227 compared with the same period in 1932.

Operating expenses for the first quarter of 1933 aggregated $34,601,270 leaving a net operating deficit of $4,023,233. During the first three months of 1932, operating expenses amounted to $4,984,855, leaving an operating deficit of $1,329,551.

SASKATCHEWAN POWER BOARD'S OUTPUT HIGHER

Power Sales Increase in 1932 — Deficit After All Charges

From Our Own Correspondent

MONTREAL.—Power generated and purchased by the Saskatchewan Power Commission during 1932 registered an increase over that reported for the preceding year, according to the annual report submitted to the provincial government by Commissioner L. A. Thornton.

Plants of the commission generated 46,426,171 kw.h. of electrical energy last year, while purchases from other sources amounted to 1,803,503 kw.h. The figures for the previous year were 46,040,000 kw.h. of generated current and 1,414,420 kw.h. of purchased current.

Own Fourteen Plants

During 1932, the commission served three cities and 117 villages, operating, in all, 1,321 miles of transmission lines. The government-owned system now operates 14 generating plants and fixed assets are placed at $7,345,916.

Generating plants of the commission are located at Saskatoon, Swift Current, Wynward, Tisdale, Watrous, Humboldt, Nokomis, Leader, Shelbrooke, North Battleford, Maple Creek, Unity, Willow Bunch and Lanigan. They have a total installed capacity of 27,385, kw. The new Saskatoon power plant, valued at $1,894,000, is the commission's largest single asset. The old Saskatoon plant, also owned by the commission, has a valuation of $975,487.

Need More Capacity

The major plant at Saskatoon, with its new equipment, carried the whole load distributed from that point continuously throughout last year, the power generated and peak load being the same as in 1931. The commissioner states that under ordinary conditions steps would be necessary to extend the installed capacity of this plant at once. As soon as an upward trend in conditions is evident, he says, some steps must be taken to provide additional equipment.

The commission's total revenue for the past year was $1,162,023, an increase of $61,901 or 6 per cent over 1931. Operating profits for 1932 amounted to $132,217 and, after interest, depreciation and replacement reserve, a deficit of $50,979 for the year is shown. In the previous year a deficit of $37,006 was incurred so that the balance sheet deficit now stands at $87,985. Reserves for depreciation and replacement at the end of last year are given at $1,035,172 or 14 per cent of fixed capital charges.

Jamaica Public Service Earnings Decline Slightly

From Our Own Correspondent

MONTREAL.—Jamaica Public Service report a moderate decline in gross earnings during March this year, when income totalled $65,667 as against $68,574 for the same month last year. Net earnings amounted to $23,675 compared with $26,535 in March, 1932. The surplus after charges is reported at $14,394 as against $17,209 in March, 1932.

Accumulative returns for the 12 months ending March 31, 1933, indicate gross revenues of $784,563; net earnings of $321,749; and surplus after charges of $210,085. For the preceding 12 months Jamaica Public Service reported gross income of $814,050; net earnings $326,748 and surplus after charges of $218,091. In each case the dollar figures quoted have been converted from pounds sterling at parity.

MONTREAL PORT SHOWS INCREASE OVER 1931 PERIOD

Despite Gain Income Falls Below Year's Expenditures

From Our Own Correspondent

MONTREAL. — Income on revenue account of the Montreal Harbor Commission during 1932 was $4,407,498 compared with expenditures of $5,456,588 leaving a deficit of $1,049,090. This compares with a deficit of $884,865 in 1931; $923,181 in 1930, $167,689 in 1929 and a profit of $274,861 in 1928.

Income showed a decrease of $92,960 compared with 1931 while decreases were also shown in revenue from the elevator system, railway traffic and shed rentals. Increases were recorded, however, in wharfage rates, space rentals and in sundry receipts.

Grain Revenues Lower

A decline of $85,000 in revenue from the elevator system, which seems paradoxical since quantity of grain handled increased by some 23,000,000 bushels, was due to the fact that during the navigation season of 1932 there was practically no grain stored in the elevators for long term periods, the report states. Profit from the elevator system was $935,617. Other major sources of profit in revenue account were wharfage rates, $1,182,088; rentals from sheds, $354,330; and sundry receipts of $225,478.

Expenditure on revenue account included wharves' maintenance and repair, excluding interest, sinking fund, depreciation, and administrative charges, $307,962; miscellaneous and general expenses, $324,623; and other charges making a total of $2,414,751 for operation maintenance, repair and general expenses. To this was added $2,466,107 for interest on government debentures, and other charges which increased total expenditure to $5,456,588. Expenditures on capital account were $610,447.

Following is a comparison of revenues received by the Harbor Commissioners during the past ten years:

1923	$3,721,159
1924	4,382,115
1925	4,749,100
1926	4,632,599
1927	5,458,951
1928	5,589,327
1929	5,089,561
1930	4,310,936
1931	4,500,457
1932	4,407,498

PROTECTION SOUGHT FOR SHIP BUILDERS

Canada Steamship Head Presents Case for Ship Yards

From Our Own Correspondent

MONTREAL. — Strong representation for a duty against foreign-built, especially British-built, ships, was made by T. R. Enderby, general manager of Canada Steamship Lines, and by Horace B. Smith, of the Collingwood Shipyards Co. before the Senate committee on banking and commerce, claiming that such a duty was essential to preservation of Canadian shipyards on the Great Lakes. It was intimated that the Government was giving consideration to such demands, though no final decision has been reached in the matter.

It was argued by shipping representatives that Canadian yards are very necessary to provide facilities for prompt repairs to damaged vessels; but that these yards cannot subsist on repair work alone, and that so long as British-built vessels can be imported into the Great Lakes traffic, Canadian yards must remain idle since the latter cannot compete with the British yards where the cost of production is so much lower.

Seeks Government Subsidy

Considerable opposition from certain Canadian shipping interests against the proposal for a duty against British-built ships is reported. It is urged, however, that should the plan be not acceptable, the Government and Parliament might provide the remedy through a considerable increase in the duty on ship repairs, or provide a substantial subsidy to the shipyards to enable them to maintain their facilities for necessary repair work.

Any action in this regard has a definite bearing on the position of Canada Steamship Lines which through subsidiaries operates the Davie Shipbuilding Co. and the Midland Shipbuilding Co.

Montreal Power May Extend Gas Services

From Our Own Correspondent

MONTREAL. — Negotiations are now going on with a view to the extension by Montreal Light, Heat & Power Consol. of its gas mains and services to municipalities along the south side of the St. Lawrence opposite to the Island of Montreal. The company is willing to supply gas to South Shore residents at Montreal city rates, plus a possible small charge covering tolls, if any, for placing the mains on the Harbor Bridge, if applications from 2,500 customers are received.

Public Utility Earnings

JAMAICA PUBLIC SERVICE

March—	1933	1932
Gross earnings	$ 65,667	$ 68,574
Net earnings	23,675	26,535
Surp. after charges	14,394	17,209
12 Mos. End. Mar. 31—	1933	1932
Gross earnings	$784,563	$814,050
Net earnings	321,749	326,748
Surp. after charges	210,085	218,091

BARCELONA TRACTION

March	1933 Pesetas	1932 Pesetas	Increase Pesetas
Gross earn.	9,861,445	9,675,587	185,858
Oper. exp. ...	3,329,583	3,194,815	134,768
Net earn.	6,531,862	6,480,772	51,090
Aggre. gross from Jan. 1	30,747,722	30,077,022	670,700
Aggre. net from Jan. 1	20,975,144	20,502,814	472,330

Railway Earnings

Canadian Pacific Railway

March—	1933 $	1932 $	Decrease $
Gross earn.	8,800,156	10,272,786	1,472,630
Working exp.	7,922,661	9,102,284	1,179,624
Net earn.	877,495	1,170,502	293,006
Three Months—			
Gr. earn.	25,572,705	30,520,036	4,947,331
Net earn.	1,297,479	2,017,415	719,936

Canadian National Railways (Including Eastern Lines and Central Vermont Lines)

March—	1933 $	1932 $	Decrease $
Gross rev.	11,399,215	14,255,505	2,856,290
Oper. exp.	11,654,522	13,758,605	2,104,083
Net rev. (def.)	255,307	496,900	752,207
3 Mos. to Mar. 31—			
Gross rev.	30,578,027	39,655,304	9,077,277
Oper. exp.	34,601,270	40,984,855	6,383,585
N. rev. (def.)	4,023,243	1,329,551	2,693,692

ESSEX AND REO HAVE NEW MODELS READY FOR PUBLIC

Shiftless Gear Reo Makes Driving Merely Steering

Two new automobile models will soon be offered to the Canadian public, one of which is already being produced and the other will be started in about ten days.

Hudson-Essex announces a new "Special Six" Terraplane, advertised as the roomiest six-cylinder car in the low priced field, built on a 113 inch wheelbase, and said to be designed exclusively for the Canadian trade. Engine design is practically similar to the former six but the increased wheelbase allows of improvement in the body design.

Prices of the new Terraplane are from $695 for the roadster without rumble seat to $845 for the convertible job, these prices being quoted f.o.b. Tilbury, Ont., license and taxes extra.

No Gear Lever

Dominion Motors announce that the "shiftless gear" Reo will be in production in Canada in about ten days. The shiftless gear feature has been developed by Reo engineers over the past two years and is now considered practical enough to warrant introduction to the public.

Action of the shiftless gear eliminates the need for a gear lever, a button on the dashboard taking its place. The button is pushed in to engage the gear when starting and from then on, up hill or down, gear changing is automatically governed by the speed of the car.

Dominion Motors have at present a demonstration model in Toronto and this will be taken on a tour around the Ontario agents in preparation for the production models to be ready in a couple of weeks time.

Some years ago a similar type of gear-changing system was introduced on the Armstrong-Siddeley, prominent English car, and has proved successful enough to be retained.

AVON RIVER POWER SEEKS LOWER RATE

Sale of Surplus Power to Pulp Firm Hinges on Special Charge

From Our Own Correspondent

MONTREAL.—In order to establish a market for surplus power, Avon River Power Co., controlled by Nova Scotia Light and Power Co. has made application to the Nova Scotia Public Utility Commission for approval of a new schedule of "surplus power" rates for the Minas Basin Pulp & Paper Mill at Hantsport.

The petition asks for a reduction in the energy charge at 2 mills from 4 mills per kw.h. and a change in regulations providing the reduced rate be effective from December 1933, to April 1934, with a slight extension until May 30, 1934, and renewal from December 1934. Confirmation of a rate of 2 mills covering the period December, 1932, to May 30, 1933, also was asked.

Special Rate Only

Attorneys for Avon River Power Co. state that the reductions were required to allow continued operation of the pulp mill. The low rate would depend on surplus water and power being available effective only after all normal demands for energy had been met.

Engineers for Nova Scotia Light & Power stated that the total power generated by Avon River development at Avon River and Black River was 29,474,109 kw.h. and that for the first four months in 1933, 7,081,350 kw.h. which could have been used under certain conditions, flowed over the dam in the form of water without producing energy.

UNTREATED EASTERN
CEDAR POLES
25 ft. to 50 ft.
ALFRED E. COWLING
Scotstown Que.

TAX RECEIPTS UP ONLY 1.3 PER CENT

Ottawa District Makes Chief Gain — Eleven Lose Ground

Although income tax receipts for the fiscal year ended March 31, 1933, are higher than in the previous year by $812,000, only eight of the nineteen districts show increases compared with the previous year. Total receipts in the year ended March 31, 1933, were $62,066,667 compared with $61,254,400 a year ago, an increase of 1.3 per cent.

Ottawa shows the largest increase, jumping from $2,728,048 to $4,319,629, an increase of over 50 per cent, to fourth place over Hamilton and Vancouver. Montreal retains first place with a gain of $772,605 while Toronto in second place also gained slightly.

Income Tax Receipts by Districts
(Fiscal Years Ended Mar. 31)

Districts:	1932 $	1933 $	Increase or Decrease $
Charl'town	40,929	84,860	+43,930
Halifax ..	833,835	889,348	+55,512
Saint John	530,851	592,411	+61,559
Quebec ...	1,058,782	997,268	—61,513
Montreal .	19,491,953	20,264,558	+772,605
Ottawa ...	2,728,048	4,319,629	+1,591,581
Kingston .	135,571	131,865	—3,706
Belleville .	306,434	383,951	+77,517
Toronto ..	17,040,708	17,197,700	+156,992
Hamilton .	4,910,920	4,177,857	—733,062
London...	5,068,783	4,857,651	—211,132
Ft. William	203,689	194,914	—8,774
Winnipeg.	2,232,348	2,134,392	—97,955
Regina ...	198,530	195,400	—3,129
Saskatoon.	204,950	143,112	—61,838
Calgary ..	1,426,934	1,006,889	—420,045
Edmonton.	426,913	401,236	—25,676
Vancouver	4,403,852	4,082,525	—321,327
Yukon	10,359	11,092	+732
Total	61,254,399	62,066,667	+812,267

Grain Handlings Are Larger

During the season 1932-33, a total of 7,807,429 bushels of grain were handled at the Port of Saint John, 2,860,093 more than the previous season, according to the Saint John Harbor Commission.

Current Events in Canada and Abroad

Write for May Review and Bond List.

Events in world finance bearing a high degree of importance, transpired during the past month. These are considered in our May Review and Bond List.

The new issues of City of Hamilton, Province of Nova Scotia and City of Montreal are among the wide range of Canadian Government and Municipal bonds offered in this Bond List.

Wood, Gundy & Company
Limited
Telephone ELgin 4321
36 King St. West Toronto

Abitibi Power & Paper Company, Limited
TORONTO, ONT.

Owning and operating mills at

Murray Bay, Que.
Beaupre, Que.
Sturgeon Falls, Ont.
Espanola, Ont.
Sault Ste. Marie, Ont.
Iroquois Falls, Ont.
Smooth Rock Falls, Ont.
Fort William, Ont.
Pine Falls, Manitoba

Daily Capacity 2200 Tons Newsprint
Groundwood Pulp
News Sulphite Pulp
High Grade Bleached Sulphite Pulp

How Important is Packaging to the business in which you are interested?

Today's competition is the keenest that ever existed. Progressive firms are extending every effort to meet the severest merchandising test they have ever known. New prices, new manufacturing methods, new merchandising schemes are appearing every day. Here and there a neglected feature of a firm's operation is modernized to result in a successful answer to today's problem. Where does packaging fit into the situation?

Packaging is too often the forgotten factor, yet more and more often reports come to hand concerning business-men who have beaten depressed conditions largely as a result of serious study of the packaging presentation of their products.

Perhaps in the use of "Cellophane" lies the answer to the sales problem of the firm in which you are interested.

Amazing sales increases through the use of "Cellophane" are found in carefully conducted tests. If you would like to learn what "Cellophane" has done for products similar to yours in Canada and the United States, our packaging experts are at your service. Write to our Package Development Service, "Cellophane" Division, Canadian Industries Limited, Montreal. Better still, send a few samples of your product to our distributors, Messrs. Wm. B. Stewart & Sons Ltd., Toronto or Montreal, for a trial wrapping, at no obligation to you. They will be returned with complete details, for your study and consideration.

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CANADIAN INDUSTRIES LIMITED

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News of Investment Markets

KING EDWARD FORECLOSURE IS DEFERRED

Proceedings Taken By Metropolitan Life After Long Wait

TO COME UP MAY 30

Junior Security Holders May Lose All Their Investment; United Hotels Working on Plan

Foreclosure proceedings taken by Metropolitan Life Insurance Co. of New York, against the King Edward Hotel Co., Toronto, have been adjourned until May 30 to permit the company to check accounts of the mortgagee and those of the National Trust Company which has been acting as receiver. Acting on behalf of the company, J. R. L. Starr, K.C., asked for an adjournment until September but this was not granted.

The Metropolitan Life holds a 7 per cent first mortgage of $2,150,000 on the land and building owned by the company and arrears of interest bring the Metropolitan claim to $2,411,000. Interest on both first mortgage and on refunding bonds was not paid on March 1, 1932, but it was not until December, 1932, that the company was placed in receivership. At that time the National Trust Co. was appointed receiver and manager for the property.

Plan Reorganization

Reorganization of the capital structure of the hotel is stated to have been planned by United Hotel Co. of America which holds more than 50 per cent of the stock of the King Edward Hotel. In addition to the first mortgage held by the Metropolitan Life there is outstanding $1,145,000 of 7 per cent refunding bonds, due 1944, which are secured by a general mortgage on the land and building and by a first charge on the fixtures and goodwill of the company. Following this refunding issue, is a 6 per cent general mortgage debenture stock, due 1963, of which there are two series outstanding, Series A to the amount of $2,444,200 and Series B to the amount of $827,200. While the property of the company has been valued at $9,000,000 and encumbrances total only $6,500,000, counsel for the company argues that under present conditions a sale of the assets would little more than cover the claim of the Metropolitan Life, leaving nothing for debenture holders.

Earnings Are Poor

During the past year, representatives of security holders have been closely in touch with operating figures of the hotel and the Metropolitan Life has withheld any action pending this survey of the hotel's ability to meet its fixed charges. At the present time, income of the hotel is barely sufficient to maintain operations without any payment of interest on mortgage debt and other funded obligations. The company's counsel stated that operating profits made by the King Edward Hotel were $976,025 in 1927; $1,057,730 in 1928; $598,868 in 1929; $228,572 in 1930, and $71,411 in 1931. No annual statement has been issued by the company since that for the year ended Dec. 31, 1930, and the operating profit stated by counsel is considerably higher than is indicated in available reports of the company with the exception of 1928.

Archibald Foulds, representing the Metropolitan Life Assurance Co., stated that the New York State insurance laws required action when a mortgage fell six months in arrears. He stated that the Metropolitan had issued the writ of foreclosure reluctantly and was not moving quickly to obtain foreclosure.

Tolmie Elected Director Canadian Cottons Board

From Our Own Correspondent

MONTREAL. — Canadian Cottons Ltd. announce the election of R. G. Tolmie, general manager, to the board of the company, filling the vacancy caused through the death some time ago of A. A. Morrice.

At the annual meeting of the board, the year's financial statement was approved, and the annual meeting set for May 16, to be held at the company's head office in Montreal.

Bond Tenders

8 p.m., May 5, Kincardine—$9,477, 5½ per cent 10-year debentures. W. Butler, clerk. (See announcement on page 5).

3.30 p.m., May 4, Quebec R.C. Board of School Commissioners—$500,000, 4½ or 5 per cent, 10 or 30 years bonds dated May 1, 1933. Antoine C. Taschereau, sec.-treas.

5 p.m., May 8, Sherbrooke, Que.—$435,000, 6 per cent debentures dated June 1, payable Quebec, Sherbrooke and Montreal of which $235,000 matures in 30 installments and $200,000 matures serially over 5 years. Ant. Deslauriers, city clerk.

Bond Redemptions

Bond Issues—	Rate	Due	Redeem.	Price
Can. West. Nat. Gas	5%	1986	June 16	105
Wabasso Cot.	*6%	1947	June 1	105

*$10,000 for sinking fund purposes.

B. C. Packers Ltd. Greatly Cheered By Salmon Sales

British Columbia Packers, Ltd., and other salmon packers on the Pacific Coast are greatly cheered by the news that United States packers have liquidated a large part of the excessive stocks held. In Seattle it is estimated that there will be a complete clean-up of pinks and chums by the end of the season in June, and the Association of Pacific Fisheries reports at San Francisco that stocks of canned salmon in March were down from 1,503,672 cases to 635,530 cases.

Packers in the United States were unable to make profits in selling salmon at today's prices when much of the pack was made up two years ago at costs then obtaining. The fact that stocks are lower than for four years is helpful not only to them but to Canadians who hope that the reduction in visible supplies will help marketing during 1933 very materially.

Substantial shipments have been going forward from Vancouver and B. C. points and the market situation is clearing up on the Canadian side as well.

B. C. PULP SEEKS INTEREST WAIVER OF BONDHOLDERS

Propose Issuing Income Scrip to Holders of Senior Security

From Our Own Correspondent

MONTREAL.—The sharp reduction in earning power and the necessity of preserving the company's working capital position has caused the British Columbia Pulp and Paper Co. to put a proposal before the bondholders on May 26 next to accept income script for the regular coupons for 1933 and 1934 and to cancel sinking fund payments until November 1, 1935.

Last year the company had an operating loss, before interest and depreciation, of $76,206. Reduction in world prices for the company's products, and the disorganization of markets consequent upon the continued depreciation in currency, particularly in the Orient, make it advisable not to rely upon any great improvement in the immediate future. Economies, which have been in force for some time, have not proved sufficient to maintain the company's working capital position, so that the bondholders are now being asked to forego interest payments over the next two years.

Pass Up Sinking Fund

In addition to paying interest in the form of income script, the resolution also provides that until the script has been retired there will be no payment on any other funded debt or capital stock and that any such payments will constitute a default under the first mortgage trust deed.

At the end of last year the company's capital set-up included $3,321,000 of first mortgage bonds; $1,445,400 of general mortgage bonds; $556,200 of 7 per cent cumulative preference stock and 100,000 shares of no par value common stock.

No dividends have ever been paid on the common stock, while distribution on the preferred shares was discontinued after August 1, 1931. On May, 16, 1932, the general mortgage bondholders approved the postponement of interest payments due in 1932 and 1933 until November 1, 1934, interest to accrue at 7 per cent on deferred payments, while sinking fund payments due in 1932, 1933 and 1934 were cancelled.

MANSFIELD PROFIT DECLINED IN 1932

Working Capital Improved With Preferred Dividend Unpaid

Net earnings of Mansfield Theatre Co. dropped to $46,752 in 1932 from $105,446 in the preceding 69 week period and, after reduced provision for depreciation, net profit was down to $28,843 from $64,158. After paying one dividend of 3½ per cent, surplus was increased by $2,593. Working capital position was substantially improved, as a result of passing the preferred dividend.

Comparison of earnings in the past two fiscal periods is as follows:

INCOME AND SURPLUS ACCOUNT

	53 weeks Ended 1932 $	69 weeks Ended 1931 $
Net earnings	46,752	105,446
Less: Depreciation ...	14,152	19,650
Cap. expend.	......	17,582
Prov. for income tax	3,757	4,105
Net profit	28,843	64,158
Less appropriations:		
Preferred divds. ..	26,250	78,750
Surplus for period ...	2,593	*14,592
Add: Prev. surplus..	225,386	239,978
Balance forward	227,979	225,386

Cash is down to $31,108 from $42,467 and Dominion of Canada bonds at market are down slightly to $109,837 presumably due only to market fluctuations. Current liabilities are substantially lower since there is no dividend payable and this amounted to $26,250 in the previous balance sheet. Working capital position is as follows:

WORKING CAPITAL

	1932 $	1931 $
Current assets	141,957	154,128
Current liabilities ...	4,586	32,018
Working capital	137,371	122,110
Ratio	30.96—1	4.81—1

The theatre property is in Montreal and land is valued at $454,000 and building and equipment at $264,267 after reserve for depreciation which is not stated. Goodwill, franchises, etc., are carried at $1,111,016 and deferred charges at $11,326. Capital remains unchanged with 7,500 shares of $100 par value preferred stock and 10,000 shares of $100 par common stock.

LAKE OF WOODS CO. BREAD SUBSIDIARY BONDS DEFAULTED

Inter-City Western Bakeries Wants to Protect Its Working Capital

From Our Own Correspondent

MONTREAL.—Inter-City Western Bakeries Ltd., subsidiary of Lake of the Woods Milling Co., defaulted on interest payments due at the beginning of May on its $1,500,000 of 6½ per cent first mortgage bonds. The company proposes to take advantage of the 90 days of grace provided in the trust deed securing the mortgage bonds

Due to depressed business conditions in Western Canada and severe competition in the baking business, it is understood that the company's earnings have not for some time been sufficient to provide for interest requirements and that rather than impair the company's working capital position further, the directors decided to defer meeting the interest payments.

Expect Another Deficit

The financial statement of Inter-City Western Bakeries, covering the fiscal period ended January 31 last, will be made public in the next week or so. The 1932 income account showed net earnings of $86,819 available for bond interest and depreciation which totalled $153,248.

Inter-City Western Bakeries came into being the early part of 1930 when it acquired the capital stocks and tangible assets of bakeries in Winnipeg, Regina, Weyburn, Moose Jaw, Saskatoon, Medicine Hat, Calgary, Vancouver and Victoria. These bakeries operated under the ownership of the Lake of the Woods Milling Co. for about one year prior to the acquisition by Inter-City Western Bakeries. At that time W. C. Pitfield & Co. and Nesbitt, Thomson & Co. offered $1,500,000 of first mortgage bonds at par and accrued interest, with a bonus of one-half share of common stock with each par value of $100 of bonds.

It is understood that a meeting of the bondholders will be called within the near future when some readjustment regarding the bondholders will be decided.

NEW FINANCING SHOWED SOME GAIN IN PAST MONTH

Due Chiefly to Montreal and Hamilton Issues; Volume Small

There was a slight improvement in volume of new bond financing in April, but only $10,593,385 of new bonds was placed on the market of which $7,000,000 was Montreal 5's, due 1945, while Hamilton bonds were offered late in the month. The volume for the month compared with $12,010,998 sold in April, 1932, when most of the imperative financing had been done, and compares with $54,416,242 in April, 1931. So far this year there has been no Canadian financing in either the United States or British market.

Financing in the first four months of the current year totalled $29,777,328, according to figures compiled by Wood, Gundy & Co. In the corresponding period of 1932 the volume was $97,044,191; in 1931, $210,301,823 and in 1930, $103,017,612. Lack of demand has kept western provincial and municipal issues off the market so far this year, but there has also been a dearth of new financing by eastern borrowers who are not inclined to sell their bonds at prices considerably under what they would normally bring.

Bond financing in the first four months of 1933 and 1932 compare as follows:

	1932 $	1933 $
To April 30:		
Dom. Govt. direct & guar.	....	....
Prov. direct & guar.	48,493,670	19,550,000
Ont. Municipal	19,985,955	2,468,112
Que. & Maritime Mun.	26,015,500	7,759,216
Western Municipal ...	2,549,066	....
	97,044,191	29,777,328

OFFER IS MADE TO BONDHOLDERS CRESCENT APTS.

Cash and Preferred Stock Payment Conditional on Reorganization

Holders of the 7 per cent first mortgage bonds of Crescent Road Apartments Ltd. will meet informally on May 4 to discuss an offer made by common shareholders whereby the first mortgage bonds would be redeemed at 20 cents on the dollar and bondholders would also receive 6 per cent non-cumulative preferred stock.

The offer of 20 per cent in cash supersedes an offer of 30 per cent in cash and 40 per cent in preferred stock which is outlined in a letter to bondholders sent out by the National Trust Co.

The original offer called for distribution of 30 cents on the dollar. W. R. P. Parker, on behalf of the company, stated that an arrangement had been made for a first mortgage on the property amounting to $50,000 payable in 15 years with interest at 7 per cent. At Dec. 1, 1932, there were $157,000 of first mortgage bonds outstanding so that the new mortgage would provide for a payment of 30 cents on the dollar to present bondholders. It was also proposed to create a preferred stock issue of $73,000.

Issue Preferred Stock

Mr. Parker asked for a payment to himself of not less than $10,000 in repayment of an amount of $11,411 advanced by him to the company and he agreed to make no claims for unpaid salary amounting to $5,500. He also agreed to pay off notes to the bank amounting to $5,108. The second mortgage bond issue amounting to $60,000 would be cancelled and holders of the second mortgage bonds would receive common stock of such an amount to be determined later. Proper provision would be made so that no prior lien charge could be created ahead of the preferred stock other than the $50,000 mortgage.

The National Trust Co. states that if the present offer is not accepted the only alternative, so far as they are aware, is foreclosure. It is pointed out that control through representation on the board of directors has not been mentioned but that if bondholders decide to accept the offer arrangements can probably be made. Gross income of the company in 1932 was $13,687 and, after provision for operating costs and interest that was not paid, there was a loss of $10,143. On the basis of the suggested recapitalization, there would be available $1.825 for preferred dividends, insufficient to pay a 6 per cent annual dividend on $73,000 of preferred stock.

If default were made in payment of interest on the first mortgage of $50,000 it would be open to the mortgagee to institute sale or foreclosure proceedings in which event present bondholders might not receive more than the cash payment. If present bondholders take foreclosure proceedings against the company, it would take not less than six months to get title and bondholders could not expect to receive any income from the property within a year or a year and a half. Having regard to present real estate values, the National Trust Co. are inclined to view the proposal as not unreasonable from the standpoint of the bondholders and will call a formal meeting to consider the offer if this is desired by a substantial amount of the value of outstanding bonds.

Dominion Store Sales Down 18.2 p.c. From 1932

Sales of Dominion Stores Limited for the four week period ended April 22, 1933, are reported at $1,505,418 as compared with sales in the corresponding period of 1932 of $1,795,015. Reduction in sales of $289,597 represents a decline of 16.1 per cent. There were 49 fewer stores operating in the 1933 period than in 1932 period.

Sales for the first 16 weeks of 1933 totalled $5,960,937 against $7,288,195 in the same period of 1932. Sales in 1933 are, therefore, $1,327,258 under sales of 1932 or 18.2 per cent.

Nesbitt, Thomson and Co. Open Edmonton Office

From Our Own Correspondent

MONTREAL.—Nesbitt Thomson & Co., investment bankers of Montreal, have opened a branch office in Edmonton with F. H. Russell in charge. At the present time Nesbitt, Thomson & Co. maintain offices, or have representatives, from Halifax to Victoria.

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U. S. Tire Cos. Talk Price Rise Canadians Don't

Though increases in rubber and cotton prices in the United States have aroused expectations there of a general increase in tire prices if the upward trend of raw material prices is maintained, there is at the moment no intention or discussion among Canadian manufacturers of raising prices. Recently a price increase on tires sold in Canada was forced to absorb the Dominion excise tax which has now been changed from ad valorem to a specific basis but raw material price increases would have to be very marked to cause a further increase here, The Financial Post understands.

Although tire sales so far in 1933 have been slightly below the level for the same period in 1932 tire manufacturers are inclined to hope for a better year in 1933 than in 1932. This is true of Goodyear Tire of Canada executives who, however, know and state that the tire business must in 1933 follow quite closely changes in the level of general business.

Canadian companies would regard a rise in prices in the United States with equanimity. Prices have been demoralized there for some time and business done at a loss. In Canada small profits have been retained by the chief manufacturers and therefore there is not the same financial urge to higher prices. A sound condition of affairs in the United States, however, would react favorably in Canada.

K. & S. Tire Bondholders Offered Preferred Stock

Holders of the seven per cent first mortgage bonds of K. & S. Tire & Rubber Goods, Ltd., will meet in Toronto on May 19 to consider a proposal made by Seiberling Rubber Co. of Canada Ltd. whereby the latter company would acquire the present K. & S. Tire & Rubber Goods Ltd. It is proposed to create 5,000 preference shares of $100 par value carrying cumulative dividends of seven per cent from April 1, 1935, of which $376,300 would be issued. Bondholders would receive $100 par value of preferred stock for every $100 value of bonds and would relinquish all claims.

Interest on the K. & S. Tire & Rubber Goods Limited seven per cent bonds due April 1, 1933, was not paid.

General Steel Wares Meets Bond Interest

From Our Own Correspondent

MONTREAL. — Semi-annual interest payment on General Steel Wares first mortgage 6 per cent bonds of 1952, due at the beginning of May, was met in full. It is understood that there has been no material improvement in the company's earning power as the volume of business continues at a level proportionate to general industrial activity.

Officials of the company are rather unwilling to hazard a forecast, but should Canadian business and particularly the western communities, enjoy the stimulus that rising wheat prices would be expected to provide, the outlook for General Steel Wares would be materially improved.

DOMINION SQUARE FAILS TO PROVIDE INTEREST FUNDS

Bondholders Forming Board to Protect Equity in Property

From Our Own Correspondent

MONTREAL.—Dominion Square Corp., owners of one of the largest office buildings in the uptown area of Montreal, has gone into legal default on its first mortgage bonds, the April 1 coupon remaining unpaid after 30 days grace.

It will be recalled that once before the company failed to meet interest payments on its bonds on the due date, but sufficient funds were raised to keep the bonds from going into default.

Arrangements are now being made to form a bondholders protective committee. Sufficient bonds have been got together to enable action to be taken and it is expected that the personnel of the committee will be announced sometime next week.

Issued $5,000,000 Bonds

Financing on Dominion Square was carried out in 1929 by the National City Co., when $5,000,000 of first mortgage bonds were offered to the public. In addition the company has $500,000 of general mortgages, $1,551,500 of debentures, $1,000,000 of seven per cent cumulative preference shares and 50,000 common shares of no par value.

The latest balance sheet of the company places the value of the land at $4,422,658 and the building at $4,992,449. The valuation placed against the land in the balance sheet is regarded as somewhat high in view of present day values.

Rentals Disappointing

The company has not been fortunate with its rental. The building was completed in the early part of 1929 but with the beginning of the depression on it was found difficult to secure tenants. It is understood that between 50 and 60 per cent of the space has been rented. Income has failed to come up to original expectations.

It is not known at this stage whether or not the bondholders will take advantage of their rights and foreclose on the property or come to some equitable arrangements with the junior security holders.

INVESTMENT SECURITIES
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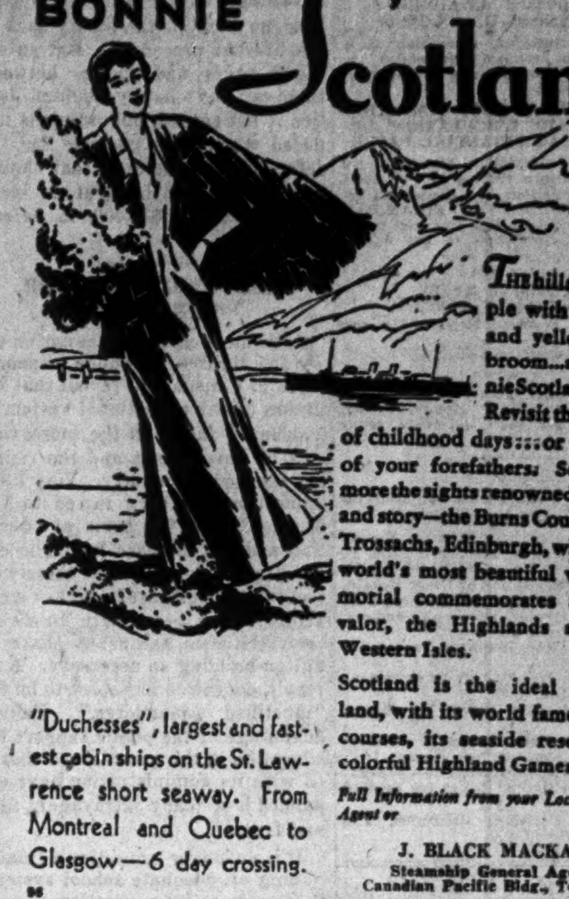

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CANADIAN PACIFIC

Nova Scotian Bonds Offered to Yield 4.8%

From Our Own Correspondent

MONTREAL. — Bank of Montreal heads a syndicate offering $2,800,000 4½ per cent debentures of the province of Nova Scotia at a price of 97½ and accrued interest to yield 4.82 per cent. These debentures, which are dated May 15, 1933, and mature in ten years, are payable as to principal and interest in lawful money of Canada and constitute a direct obligation of the province and a charge upon all its revenues.

The proceeds of the issue will be applied by the province to the finding of expenditures for highways; the Nova Scotia Power Commission (self-sustaining); unemployment relief, and other capital outlays. Sinking fund will be provided.

WATT & WATT
6 Jorden St. Toronto

Announce the admission to Partnership of Mr. William L. Christie, a Member of the Standard Stock and Mining Exchange.

This Partnership will allow this firm full trading privileges on the Standard Stock and Mining Exchange as well as the Toronto Stock Exchange.

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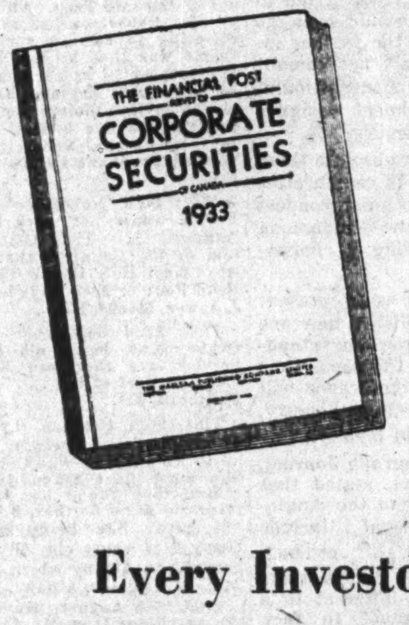
T. C. E. Watt
E. H. Watt
F. G. Venables
R. W. Wilson
April 27, 1933.
W. L. Christie



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Classification of Securities Reviewed

Public Utility Securities
Banking Securities
Rubber Securities
Iron and Steel Securities
Construction Securities
Pulp and Paper Securities
Textile Securities
Real Estate Securities
Oil Refining Securities
Beverage Securities
Investment Trusts
Milling Securities
Foodstuffs Securities
Merchandising Securities
Transportation Securities
Miscellaneous Securities

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Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Provincial—	Date Sold	Sold to	Rate	Due	Amount	Price	Yield
Nova Scotia	May	Royal Securities Corp. and syndicate	4½%	1943	$2,800,000	*97½	4.82%

*Offering price.

Summary of Week's Annual Reports

A brief analysis of company earnings per annual statements received since last week's issue. Company name in bold type indicates stocks listed in Canada or New York. Net income shown is before preferred dividend, if any. Market prices are at close on Tuesday this week or last sale.

Company	Year End	Net Income 1932 $	Net Income 1931 $	Common earnings 1932 $	Common earnings 1931 $	Curr. divid. $	Balance car. fwd. 1932 $	Balance car. fwd. 1931 $	Mkt.	Mkt. times earn.	Yield %
Viceroy Mfg.	Feb. 28, '33	496	*34,884	...	...	...	104,999	104,504	...	...	...
Hamilton Un. Theatres	Dec. 31	45,905	79,629	...	...	...	58,618	68,830	2	...	...
Crow's Nest Pass Coal	Dec. 31	36,637	27,448	...	...	...	12,091	†27,379	8	...	...
Mansfield Theatre	Dec. 31	28,843	64,158	...	...	...	227,979	225,386	...	...	...
Eastern Theatres	Dec. 31	97,194	187,203	...	...	2	183,521	173,665	...	...	...
Wood, Alexander & James	Jan. 31, '33	‡57,469	‡19,024	...	...	...	28,801	86,271	...	...	...
Hollinger Cons. Gold	Dec. 31	3,962,885	3,508,204	0.81	0.71	0.65	11,966,977	11,694,092	9.05	11	8.3
Frontenac Breweries	Dec. 31	‡90,492	‡57,408	...	...	...	†524,896	†484,404	...	...	...
Quebec Pulp & Paper	Dec. 31	‡192,256	‡201,646	...	...	...	†1,285,457	†1,098,201	...	...	...
Canadian Airways	Dec. 31	‡634,780	‡263,830	...	...	...	†967,315	†382,585	...	...	...
Jamaica Public Service	Dec. 31	123,930	137,338	1.51	1.81	1	179,516	188,144	...	...	...
Granby Cons. Mining	Dec. 31	‡1,845,821	‡959,511	...	...	...	†4,517,201	†2,671,380	...	...	...
Associated Breweries	Dec. 31	230,843	347,627	0.67	1.18	...	349,450	438,435	6¼	9	...

*For 18 months. †Deficit. ‡Loss.

THE FINANCIAL POST

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TORONTO, MAY 6, 1933

HANDFUL OF PEOPLE DEMAND SEAWAY

THERE is so much propaganda favorable to the St. Lawrence seaway plan being put out by interested organizations that the impression is likely to be gained by many people that this is a project which has the general backing of the Canadian people. Such is not the case.

A careful reading of editorial comment and letters received from representative citizens in all parts of Canada, indicates the situation so far as public support is concerned to be about as follows:

Nova Scotia is definitely opposed to making any contribution by way of taxation to the seaway. New Brunswick feels equally keenly on the same point and Prince Edward Island is also in agreement. Quebec province is very largely opposed to the seaway because it cannot see the economic advantage of moving the head of navigation further inland.

Starting at the other end of the country we find British Columbia completely opposed and Alberta indifferent since the seaway offers them no advantages whatsoever in cheaper transportation for their products.

Saskatchewan is split on the matter but Manitoba is, generally speaking, favorable. But in this connection it should not be forgotten that Saskatchewan and Manitoba were given the Hudson Bay Railway and the new port at Churchill to give them their cheap route to Europe and if the Bay route is as good as the people of Saskatchewan and Manitoba claim it to be then they cannot possibly be interested in the waterway.

This narrows the field of support down to Ontario, and in Ontario, it is only the Lake Ontario and the Lake Erie ports that are carrying on any campaign whatsoever for the waterway. They see a large development in their shipping as a result and some of them cling to the notion that they may become ocean ports to rival Liverpool or Montreal.

Canadians as a whole do not want the waterway. Economists are divided on its possible benefits. Why then proceed with it now?

IRRESPONSIBLE LAW SUITS

MANY business men will feel a bond of sympathy between themselves and H. G. Wells, the noted British author, in the complaint he has embodied in a letter to The Times. Referring to the recent suit against him by an Ontario lady who charged plagiarism in "The Outline of History," he states that he was put to considerable expense in time and cash to win a verdict. His own costs were over £3,000 and the associated defendants, MacMillan & Co., also had similar bills to pay. The case was tried in Ontario, and then went to the Appellate Court, from whence it was finally appealed to the Privy Council by the plaintiff. The only security for costs that the plaintiff was at any time called upon to give was the "entirely inadequate" sum of $2,000 for the final appeal to the Privy Council; this, despite the fact that the plaintiff claimed the enormous total of £100,000 in damages.

Mr. Wells feels that there is an urgent need for some more expeditious, more expert and cheaper method of dealing with such a highly technical matter as plagiarism than is afforded by normal pleadings in court. And he makes the second point that a plaintiff claiming large sums of money might surely be expected to give sound assurances for costs at an early stage.

It is in connection with the second point that the average layman will feel that the machinery of justice is inadequate. Frequently, corporations, newspapers and business men are put to very large expense defending rather ridiculous claims made against them by publicity-seeking nuisances, who use the courts chiefly to vent grudges or to pursue thoroughly fanciful claims. In the ultimate analysis, the case may be won by the defendant, but people who bring such actions are usually people of no financial responsibility and the defense seldom can collect its costs.

A very rigid application of the rule requiring adequate security for costs to be put up by plaintiffs in civil actions might bar out some worthy people from the courts and would undoubtedly throw an advantage on the side of wealth. This, no doubt, is the theory back of the present procedure. But surely the lawyers and judges between them can find a happy medium. Justice is not served, but rather is impeded when it is possible for the defendants in one case, that should never have been brought, to incur an expense of $30,000 to defend themselves.

EDUCATION DUE FOR DEFLATION

THE most casual examination of the figures of public expenditures in Canada will reveal that inflation of our educational system is a primary factor in the increasing cost of government and the rising tax rates of the country. Very little opposition has been raised to the broadening of the basis of education and the increase in public expenditures upon it. Even those who feel their increased taxes most acutely have been loath to direct their criticism against a phase of nation-building so necessary. As a result, education has some to be the "sanctified squanderer." Taking advantage of the public support for education in the mass, those charged with its administration have expanded it by many extravagant fads and frills.

It is no longer a question of maintaining an adequate school system. It is rather now a question of getting back to an adequate school system by a process of deflation.

One may quote the following quotation from the recently published annual report of the Carnegie Foundation for the Advancement of Teaching, dealing with conditions across the line that are similar to conditions in Canada:

> "The Foundation has continually called attention to the fact that the development of the tax-supported system of schools and colleges was growing at an accelerated rate, and that it was departing from the original sound programme of public education — a simple and sincere system of schools — to include in its list of studies many vocational and cultural subjects far removed from the conception of education upon which our public-school system originally was founded. In the process not only has there been an enormous inflation in the list of subjects offered in the elementary and secondary schools, but new agencies, such as junior colleges have added to the confusion and the mounting cost of tax-supported education. The organized agencies of public education have followed the example of industrial agencies —agriculture, manufacture, transportation. Along with over-production in agriculture and in manufacture there has been a comparable over-production in the products of the tax-supported system of education. The inflation has resulted in a multiplication of subjects taught, in costly and expensive buildings, and in a vast increase in the number of those kept in school beyond the point where the school was fruitful, and inevitably there has come an unprecedented rise in the cost. In the case of one large community whose budget was recently examined the school system cost nearly sixty per cent of the total municipal income, and at the rate of growth in expenditure that has held for the past ten years the entire income of the community will be absorbed, in another decade and a half, by the support of public education. And this is no unusual picture."

There is little of the present emotional attitude toward education in that summary. It is a realistic picture of a serious situation.

Tax supported education must be deflated. The next ten years should be a period of eliminating the excesses of the past ten.

PUBLIC RELATIONS

LIFE insurance companies in all parts of the Dominion report an exceptionally favorable response to the nation-wide campaign recently undertaken co-operatively under the slogan "Financial Independence through Life Insurance." The life insurance business created an intangible asset of goodwill and appreciation which will undoubtedly pay big dividends throughout the entire year.

The campaign gained substantially by having the co-operative support of all companies, and it achieved success, in part at least, because life companies took the trouble to elicit the aid and sympathy of newspapers and other molders of public opinion.

Surely there is a lesson here for the equally important institutional group comprising the fire and casualty companies in Canada. They are facing many grievous and difficult problems, yet lack of co-operative effort in matters of public relations is adding to their worries. Failure of a recent proposal of tariff fire companies to introduce successfully a two per cent surtax to meet the mounting burden of taxation may rightly be attributed to inability to gain adequate support from agents and the public generally, in favor of the plan. The proposal had many features to commend it but coming at a time when the prices of most commodities were dropping rather than rising it was almost doomed to failure unless preceded by a vigorous campaign to apprise the public generally and agents more particularly, of its merits.

Similarly with the casualty companies at the present time. For the moment they are in the fortunate position of currying public favor because a rate war in the automobile field is enabling sweeping rate reductions to be introduced. Expert opinion indicates, however, that the present rate levels in Ontario for instance are inadequate and that serious consequences must eventually be faced unless rates are soon restored to more reasonable levels. Another alternative which is much more than a possibility is that complete control of rates be taken over by the Ontario superintendent of insurance.

At any rate it is obvious that a situation is shortly looming when the companies will need a considerable measure of public support if they are to continue to operate along profitable lines. But failure of the companies to embark on any form of educational work, has resulted in a very real lack of appreciation on the part of the public generally, of their problems. This was certainly true of the workmen's compensation field a few years ago and which is now entirely lost to private enterprise in Canada. It is equally true of the automobile field, now the most important single business in the casualty field.

There are very obvious lessons to be learned by both fire and casualty companies in Canada by the marked success of "life insurance week" as a co-operative undertaking in a field where such a thing was undreamed of a few years ago. Furthermore it is interesting to note that while Canadian life companies have been the pioneers in co-operative efforts along these lines on this continent, fire insurance companies have for years been doing important co-operative public relations work in the United States.

HONESTY

AN EDITORIAL in the Boston Post expresses impatience at the remark of the head of a group of bankers who, speaking in New York, referred to the new honesty that is needed in bank operation and in business. The editorial writer in the Boston Post says that there is no such thing as the "new" honesty. It is a virtue whose characteristics have always been the same and always will be. What is needed in his opinion is the old honesty.

This is all very well if we are going to maintain our present economic system and our present ideas of what constitutes ideal social conduct on the part of the individual. After all honesty is merely a standard of practice which has helped to maintain smooth relationships between peoples and groups of people down the ages.

But if we are to upset our present economic and social system, as so many preachers of the newest of the new eras want us to, will not the old standards of honesty be completely outdated?

Those who believe in the rights of property consider the action of the Soviet dictators in appropriating private property for the use of the state to be thoroughly dishonest. By some standards, it is likewise dishonest for Governments to steal from those that have, by the effective process of excessive taxation, to give to those that have not.

The radical philosopher of today would completely destroy the ten commandments. He would have us believe that the injunction, "Thou shalt not steal" was put into the laws of Israel at the behest of some capitalist thinker who wanted to add a moral safeguard to the legal protection that was given to his property. He would even go further and regard the further injunction "Thou shalt not commit adultery" as merely a subsection of the other commandment designed to protect private rights.

Honesty is not an absolute thing but a matter that is comparative to the standards of human conduct accepted in any time and among any people comprising a civilization.

If we overthrow our present civilization to establish a new one we have to overthrow our standards of conduct at the same time and a brand new significance will be given to such terms as honesty, industry, charity and loyalty.

The St. John Telegraph Journal, in a recent editorial, stated that "honesty, according to the Anglo-Saxon code, should include straightforwardness of conduct, speech and thought." But it would be something quite different in a communist civilization. In fact, honesty might be a sin. It is not that there would be no moral standards under Socialism or Communism but that they would not be our present standards.

EDITORIAL NOTES

President Roosevelt's attempt to hold up industrial wages in the United States can succeed only if he can undertake to hold prices or advance them.

* * *

Of the funds voted by Congress for the fiscal year 1934, President Roosevelt plans to leave $1,020,000,000 unspent. This is economy in the grand manner and is the president's greatest effort for recovery.

* * *

It is twenty years this week since Mrs. Pankhurst was on her hunger strike. It is hard now to remember what all the hatcheting was about.

* * *

Plant executives are being urged to use this quiet period to clean up their premises. This, no doubt, is to make them think that business is picking up.

* * *

The arguments about what happened recently in the Ontario Power Service deal are a smoke screen to obscure the essential fact that this enterprise was never anything more than a contractor's racket at the start.

* * *

Senator Borah wants Russia recognized by the U. S. A. At least Moscow's third degree can not be called un-American.

* * *

An Ontario cabinet minister forecasts that 60 per cent of the unemployed will have jobs within six months. Is this to be taken as a business forecast or a hint that an election is coming?

POST-scripts

NOW "Non-Skid" spaghetti and macaroni is being manufactured by the Victoria Fusilli Co., Long Island City, N.Y. Made of No. 1 semolina and patterned after a corkscrew, it catches the prongs of the fork.

The spaghetti is packed in three consumer sizes of 8-oz., 12-oz. and 1-lb. folding cartons having a Cellophane window through which the non-skid product can be seen. It re-tails at 10c., two for 25c. and 15c., respectively.

Sole rights to this patented process of spiral manufacture are reserved in the United States by the Victoria Fusilli Co. Distribution for the present is being concentrated in the metropolitan area of New York.

AMUSING entries in old post records of the Hudson's Bay Co. are recorded in the current issue of "The Beaver." These extracts cover the days of Captain James Knight, Henry Kelsey, Governor Richard Norton and others, and some of them are here set forth:

1715, 29th September — "James Knight states that he killed the sheep and ram . . . not thinking it worth while to Raise any of that Sort of Cattle, the winter being so long here & the summer so full of Musketos that the poor Creatures lives in Misery, either being froze in winter or Eaten full of holes in ye Summer by the flyes, so that they are all Summer madd & all Winter Creeping into holes. . ."—James Knight, York, F.J.

1717, 11th August—". . . Here is now such Swarms of a small sand flyes that wee can hardly see the sun through them & where they light is Just as if a spark of fire fell & raises a little bump wch smarts & burns so that we cannot forbear Rubbing of them as cases such scabbs that our hands and faces is nothing but scabbs. They flye into our Ears Nose Eyes Mouth & down our throats as we be most sorely Plagued with them and I never see any where in ye Country the Tenn thousandth part of them as I doo here. Certainly these be ye flyes that was sent as Plagues to ye Egyptians as caus'd a Darkness over the land & brought such blotches & boils as broke out over them into sores. These flyes comes out of the sand and moss that groweth upon the Rocks . . ."—J. Knight, Churchill, F.J.

1717, 5th November—". . . Made a Bonfire gave the men six Quarts Brandy three pound Sugar and Strong Beer to Drink in Commemoration of that Cursed hellish Plot Designed against the whole Nation . . ."—Henry Kelsey, York, F.J. (This refers to the Guy Fawes gunpowder plot).

1726, 17th January—". . . This Evening James Robertson whose hand was cut off ye 3d. of this Instant made an open Confession yt he went out of ye factory with a full Resolution to lay Violent hands on himself, & yt he had Saved half pint of Brandy for 6 days before to drink in the cold Air, so as to make himself Elevated he likewise carried a piece of Rope, but after he had drank the Brandy, he throw'd the Rope away, so went to ye Steel Trap with a design to make away with himself in ye said Trap, but after he had been fast in the Trap for almost 2 hours by his own Confession without attempting to get out of the said Trap & by that time the fumes of the Brandy having Evaporated and come a little to his Sences he got himself out of the said Trap. All the Reasons ye said Robertson had to say for attempting to commit such a heinous Crime was that he had been uneasy & discontented in his mind ever since he came from England, and yt it was better to lay Violent hands on himself then to live in Hell upon Earth. In short ye said Robertson is a very Wicked Prophane Fellow . . ."—York, F.J.

1731, 30th November—". . . The People would not work It being St. Andrews Day—They Claimed a Custom of the Country—that it was always Kept Holy Day, & their working Hard Four or Five Days before . . ."—J. Jewer, Moose, F.J.

1733, 22nd September—". . . Our Orkney Cow being old & unfit for Service wee therefore Kild her to make ye Best of her . . ."—R. Norton, Churchill, F.J.

1754, 20th October—". . . Several of our Men went Seek for ye Cow but all to No purpose, who Concluded that She must have taken ye water by reason they found her track at the river sid & no further, but ye loss is not great She being a Toothless beast & 15 years old, & ye first Cow brought to Albany which was in 1747 . . ."—J. Isbister, Albany, F.J.

1786, 27th August—Humphrey Marten purchases from Mr. Cox "an Electrical Machine which under God preserved Mr. Falconer from total blindness, cured George Sutherland when almost bent double and from which many other persones received great benefit . . ."—H. Marten, York, F.J.

1814, 4th February — W. Auld to T. Thomas—". . . In our zeal for preserving the Colonists from the Scurvy, I have prevailed on our Servants at Partridge Tents to erase, for this Winter only, Sunday from their Kalender. I absolve them from the Sin by taking that wholly on myself. This is a bolder step then the boldest Romish Priest has done yet, and by giving a Bounty of one Penny for every Bird killed on that day, they the more willingly consent to the Conveyance of their Sins to my account, and you may be sure of making a proper Use of a Miracle too which occurred the first Sunday that they so employ'd. On their going to the Partridge Net early in the Morning they found the Net down upon forty-four Partridges all alive newly caught a better Haul than Any they had made. By this step I however obtain at least one hundred Birds more in every Week for an extra 8/4 not quite the Price of One Piece of Salt Beef . . ."—York Ft.

1825, 29th March—". . . Myself sadly annoyed with Tooth ache and after many ineffectual attempts succeeded in pulling out the offender this Morning with a silk thread . . ."—George Simpson, 1824-5 Journey.

1891, Saturday, August 1—"Mr. McColl, who had been wrecked in one of the rapids between this and Cross Lake, arrived here. He lost everything that was in his canoe, including the bagpipes—thank God! And reached the fort in a very hungry condition about midnight." — Norway House Diaries.

1891, Wednesday, November 4—"The cat died today from causes unknown." Norway House Diaries.

1891, Thursday, December 17—"The members of the church choir from the Fort went over to the Mission to practise last evening. Not long ago, the sow was a widow, then childless; now she is a corpse. But 'it is an ill wind that blows nobody good.' Old Jock has been for some time, offending our olfactory nerves by boiling a variety of villainous-smelling compounds all over the house to tickle her palate and increase her weight. This, happily will now cease and we will be allowed to breathe the atmosphere in natural and undiluted state."—Norway House Diaries.

The World at Large

An Occasional Department Discussing World Economic Affairs That Affect Canada

By F. S. C.

GERMANY'S CRISIS

ATTENTION this week is focussed on Germany, as President Roosevelt begins a series of conversations with Dr. Hjalmar Schacht, governor of the Reichsbank. Germany is known to be facing a financial crisis and it is the purpose of the wily Dr. Schacht to utilize its position to the full in his negotiations at Washington. Ordinarily a nation in financial trouble is in a poor position to bargain but it happens that Germany owes a great deal of money which other countries would like to collect.

Having effectively got rid of the major portion of her internal debt and the mortgage burdens of her industries and railways through the great mark inflation of 1923, having effectively rid herself of practically all the obligations imposed by the treaty of Versailles and the subsequent reparation settlements, Germany is determined to get concessions on her foreign debts and on the private debts payable to other countries.

* * *

IN WASHINGTON The Financial Post last week had the benefit of a long conversation on the German financial position with Dr. Hans Luther, recently appointed German ambassador to the United States. Dr. Luther was governor of the Reichsbank before Hitler came into power. For three years Dr. Luther served Germany and her foreign creditors well, bending every effort to protect the integrity of the mark. When Hitler came into power, Luther retired from the bank to make way for the more vigorous and outspoken Schacht, who was the avowed enemy of all the reparations agreements and who is more closely in sympathy with the Hitler régime than is Dr. Luther. Luther is not even a member of the national Socialist party, but he is too popular in Germany, he is too powerful a political force and he is too able a citizen to be completely ignored under the new régime. So Hitler sent him to Washington to maintain American confidence in the German nation, while Germany is going through the harrowing pangs of a third revolution which her citizens hope will finally bring about the birth of a new Germany, a united nation, which is something not accomplished by the revolutions of 1871 and 1918.

* * *

BECAUSE he had been in the United States only 10 days, Dr. Schacht made it clear to The Post that he did not wish to be put in the position of giving an interview or of being quoted on any phase of German policies. Nevertheless, he spoke most freely and emphatically on numerous subjects. Taking some of his material as background and adding to it views expressed by other well-informed people in Washington, one can outline the present position in Germany about as follows:

Germany is in rather desperate financial straits. Despite her high protective tariffs, despite her strenuous efforts to build up favorable export balances, she has reached the point where it will be exceedingly difficult for her to resume the service on her foreign debts and to make any payment on account of the private credits frozen under the standstill agreements. She has only a very limited quantity of gold and while she is nominally on the gold standard she cannot ship gold to cover her foreign payments. She has a very small favorable balance of trade not enough to cover these payments. She cannot borrow abroad.

* * *

GERMANY has been kept going internationally, since American lending stopped, very largely by reason of the fact that she has been selling large quantities of goods to Russia. Her exports to Russia have been the prime factor in building up credits abroad to support the mark. With a collapse imminent in Russia, German sales to this market, her largest single customer, have declined. Germany stands to lose something on her export credits to Russia. The Post was told that her loss will be small; that most of the credits have been repaid and that Germany holds good security for the balance. The Post was definitely told that a complete collapse in Russia would not bankrupt Germany in any sense.

Germany looks to the World Economic Conference to bring about a freer and less selfish international flow of commodities and securities, thus permitting her to resume foreign trade on a large scale and enabling her to pay her debts. But German authorities make no secret of the fact that if international action to put the world back in a condition of normalcy is not taken during the coming year she will not strain herself to meet her obligations. There is a large body of German opinion that feels that a frank default by Germany is to be preferred to the deflationary defects of rigid financial protection of the mark.

* * *

THERE is a disposition to make apologies for the excesses of the Hitler régime. The official view is "You must not forget that Germany is going through a revolution. The demonstrations in Germany are the mildest that have ever been experienced in any great revolution. Compared to the inhuman executions of the French Revolution and the Russian Revolution the exuberant excesses of the young Hitlerites are very mild. They are the result of the outbursting of pent-up disappointments, jealousies and emotions.

"Partially the campaign against the Jews has gained momentum from the fact that the young generation of post-war Germans have found themselves robbed of opportunity, unable to get jobs, unable to emigrate, while the Jewish people in Germany have managed to maintain an outward appearance of solidarity and prosperity.

"The present excesses will shortly give way to more reasoned actions and if under the Hitler régime it is possible to alleviate the terrible distresses of unemployment and to consolidate the efforts of the nation in building a new political and economic foundation for the future in Germany then we may shortly expect to see a more normal basis of life."

New Books

"Britain's Peril"

"Britain's Peril" is the challenging title of a little book by R. C. Smart, a well-known Midlands coal mining engineer, published by the London General Press, 6 Bouverie Street, London, E.C.4. Is Britain physically and mentally fit, or is she "stale and tired? She must, Mr. Smart contends, have an Economic Council for Industry and Trade of an impartial character, freed from the politicians' taint of subterfuge, and dealing with the industrial situation from the common viewpoint of the close interrelationship of all industries.

"The Verdict of The League"

What is the significance of the verdict handed down by the League of Nations in the case of China and Japan? Has it proved conclusively the futility of peace machinery or has it indeed created a foundation for more adequate planning toward world peace?

In an effort to provide a basis for a considered opinion on this all-important question, the World Peace Foundation has published under one cover pertinent documents with notes and a critical introduction by Manley O. Hudson, professor of international law at the Harvard Law School.

The introduction consists of a brief but well-rounded review of Sino-Japanese activities during the 17 months preceding the adoption by the assembly of the report of February 24, 1933, followed by an estimate of each major element in the whole picture of the efforts of the League of Nations to respond to China's appeal in 1931.

Professor Hudson's appraisal of the method of the League which "remains the one alternative to international anarchy before the world" should be of value to all interested in the immediate problem of solving the difficulties in the Far East and in the greater problem of better insuring world peace.

The chronology which the booklet also contains is particularly helpful in securing a bird's-eye view of the development of the dispute from the first clash of Chinese and Japanese forces near Mukden on September 18, 1931, to the acceptance by the United States on March 13, 1933, of the invitation to co-operate with the advisory committee in following up the report of the assembly.

"The Verdict of the League; China and Japan in Manchuria" is issued in a cloth, indexed edition at $1 and in a paper bound edition without index at 50c. and is published by the World Peace Foundation, Boston, Mass.

Other Peoples' Views

Doesn't Stay Put

Canadian Grocer.—Canada's budgets of the past few years have had the habit of not "staying put." The uncertainties prior to the bringing of them down are bad enough in upsetting business; but when business men have to go through the experience of waiting until the changes are passed by the House before they are sure of their ground then it is time to protest.

In his budget of March 21, Hon. E. N. Rhodes announced a drastic excise tax on sugar. A whole month and more went by and like another bolt from the blue, he put a 2 cent tax on corn syrup. The latter had already undergone a 6 per cent sales tax in the original budget and manufacturers, wholesalers and retailers expected that was the end of it. A 6 per cent sales tax plus a 2 per cent excise tax imposed on any one low priced staple food product is altogether too much. But if the powers that be at Ottawa insist that anything else would be discrimination why did they not impose the tax on corn syrup at the same time as that on sugar?

When mistakes are made of this kind the minister himself gets the blame whereas the responsibility of it really should rest on the shoulders of the officials who advise him. It is high time that budgets were taken more seriously by those who frame them and every angle of every situation studied carefully before they are announced to the country.

Farmers and Industry

Northwestern Miller, Minneapolis.—Nowadays, it is not the price of the farmer's crop which is emphasized, but the value of the farmer's dollar. In the new theory the farmer is esteemed entitled to the full "trading value" of his whole product, while industry is deemed worthy of less than current values, even though it is able to sell but a fraction of its normal production at any price.

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TORONTO MONTREAL OTTAWA WINDSOR WINNIPEG REGINA SASKATOON CALGARY VANCOUVER

The Week in Business

Optimism Widespread

LACK of statistics regarding the weekly trend of business in Canada leaves little but the prevailing optimism on which to base an opinion as to just what has been happening to business here in the past week or two. Correspondence of commercial services throughout the country, bank manager reports and personal observation, however, combine to show that, quite apart from the professional manipulations of prices and other artificial methods being used to stimulate activity, business in some areas is showing definite improvement. Reports from British Columbia stress increased logging and lumber manufacturing activity and a boom in mining and prospecting. The Prairie Provinces are experiencing a revival under rising grain prices, merchants and manufacturers immediately benefiting from the increased spending power.

Ontario's optimism is based on something less tangible, improvement in the manufacturing province being dependent to a large extent on better business throughout the rest of Canada. Ontario farmers are in a better position than for some time with hog and grain prices at levels at which profits can be made, manufacturers' inventories are rising in value and a stock market boom has created employment in the financial districts.

* * *

Quebec and Maritimes

QUEBEC is hardly so well placed as other provinces the low price of newsprint and less than the usual seasonal activity in boot and shoe factories being disturbing factors, but the opening of navigation and the maple syrup season have combined with price increases and stock market activity to create a better feeling. Textile factories are working at or near full capacity and a mild boom in construction was experienced in Montreal during April.

Reports from the Maritimes all stress the spirit of optimism which prevails among rural and urban dwellers. The fishing season is under way with the Grand Banks' fleet experiencing excellent weather and general expectation is for a good catch. Anxiety is felt over lower lumber prices in the British market but this is tempered to some extent by the possibility of the Russian embargo being continued.

* * *

Carloadings Jump

HEAVY car loadings in the eastern division are features of the report for the week ended April 22, the seasonally adjusted index number for the area rising from 54.71 to 58.40, the highest point reached since the second week of the year. Coal, grain, miscellaneous freight and merchandise loadings all increased, coal to a figure higher than that recorded in the same week a year ago. Although loadings in the western division increased by 617 cars, the index number was lower at 61.53 compared with 62.76, under seasonal influences and the fact that the previous week contained a holiday.

For the second successive week wheat stocks showed a decrease, although, at over 220 million bushels, they are still 62 million bushels greater than at the same date a year ago. Wheat exports were slightly larger than in the previous week but well below the total for the corresponding week of 1932. For the 38 weeks in the crop year to date exports have totalled 171 million bushels compared with 112 million bushels a year ago. A further 100 million bushels are ready for export at ports on the Great Lakes.

Business Briefs

Car Loadings for the week ended April 22 showed an increase of 4,020 cars over the previous week. The total for the week was 34,156 cars and the index number rose from 57.34 to 59.44.

Lumber Mills reporting to the West Coast Lumbermen's Association produced 65,413,865 board feet of lumber during the week ended March 25, an increase of 5,453,901 feet, or nine per cent, over the cut of the preceding week and compared with a weekly average of 55,740,092 feet in 1933 and 65,178,159 feet in 1932.

Cattle Exported to the United Kingdom during the first week in April included a shipment of 75 head finished in New Brunswick. This is the first shipment of such cattle in more than 25 years and Maritime agricultural officials see possibilities for farmers in that section if the shipment is well received.

Advance in Sterling has rendered dumping duty legislation inoperative and there will be no fixed valuation of the pound for this purpose until further notice.

Wheat Stocks in Canada and Canadian wheat at United States points were less at April 21 than at the end of the previous week by 3,800,708 bu. Stocks amounted to 220,561,342 bu. at April 21, to 224,362,050 bu. at April 14, and to 168,473,031 bu. at the end of the corresponding week of 1932.

Wheat Exports during the week ended April 21 were 2,444,355 bu., an increase over the previous week but a large decrease from the corresponding week of 1932 when the total was 4,049,021 bu.

Business Conditions in Canada

OPTIMISM EVIDENT IN MANY TRADES IN THE MARITIMES

Better Farm Prices, Cattle and Lumber Prospects, Chief Causes

Reports from all parts of the Maritimes, received during the past two weeks, are generally more optimistic than for some time past, increased prices for farm produce being the chief cause of this better feeling. In evidence of this, a report from Truro states, "Farmers appear to be in a slightly better frame of mind owing to the increase in prices for butter, pork and beef."

With the shipment during the first week of April of 75 head of cattle, finished in New Brunswick, to the British market, a trade, long in abeyance, as far as the Maritimes is concerned, has been resumed. Farmers in the Maritimes are hopeful that successful sale of these cattle in Britain will mean the demand for further shipments. Raising of cattle would help the Maritime farmers to use their surplus of hay, grain and root crops while at the same time greatly reducing their fertilizer bills, it is stated.

Lumber Prices Drop

The British market for lumber has been somewhat disorganized during the past month, heavy shipments of old spruce stocks from Quebec, originally intended for the United States market, being said to be the cause. Prices in England have declined about 50 cents a thousand for Canadian spruce and from $1 to $1.50 a thousand for hardwood. Possibility of obtaining some of the market formerly handled by the U. S. S. R. is interesting Maritime lumbermen. Permanent application of the Soviet embargo would certainly prove most advantageous.

While coal production was slightly lower in March than the previous month, the comparative totals being 258,742 and 273,942 tons, this is the general situation at this time of the year. Mines at some sections, however, increased their output during March, the three Springhill collieries of Dominion Coal Co. having total output of 37,391 tons compared with 32,325 tons in February.

Fishing Reports

Bank fishery reports are generally favorable but rough weather has curtailed the operations of the shore fishermen. Between 25 and 30 vessels left Luenburg for the Banks this spring and have been favored with excellent weather. Hopes are expressed that a substantial catch will be the outcome. February statistics just issued by the Dominion Department of Fisheries show that, while the Nova Scotia catch in that month was smaller than in the preceding February landed value was higher owing to better returns of the lobster fishing.

Improvement in Prairies Features Business Survey

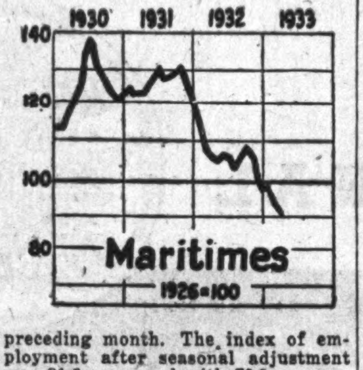
Other Economic Areas Record Business Declines in March Compared With Previous Month—Maritimes and British Columbia Chief Losers

By SYDNEY B. SMITH

The upturn in the business index of the Prairie provinces was the outstanding feature of The Financial Post resumé of conditions in the five economic areas during the first quarter of the present year. The indexes of the Maritimes and British Columbia showed further marked declines in the first three months. In Quebec and Ontario, the trend was downward in February and March counterbalancing the moderate gain in the last quarter of 1932 and contrasting with the minor peak of January.

While productive operations were at a low level in the first quarter, the gain in farm prices in recent weeks has greatly altered the outlook throughout the Dominion. Seeding in the Prairie provinces is in full swing, ample moisture ensuring a favorable beginning for the new crop. The early opening of navigation on the Great Lakes and the St. Lawrence has resulted in increased activity in the grain trade, absorbing a considerable number of the unemployed.

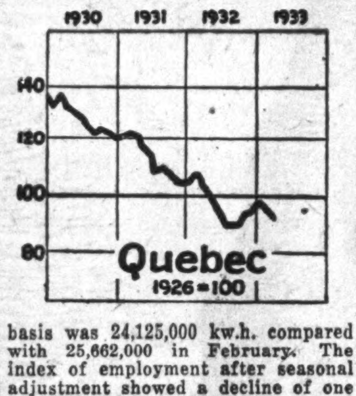
Maritimes—Despite the substantial decline in the business index of the Maritimes, some of the factors were more favorable. Construction indicators showed a gain but the low level of operations resulted in a minor influence on the index. Building permits were $102,000, compared with $44,000 in the preceding month. The output of electric energy showed a gain after the sharp decline of the preceding month. The index of employment after seasonal adjustment was 81.6 compared with 79.9.



Bank debits are normally greater in March than in February but in this case a considerable decline was shown, the index after adjustment consequently declined from 75.8 in February to 69.0 in March. Sales of life insurance were $2,087,000 compared with $1,600,000, the gain being greater than normal for the season. Imports through Maritime province ports were $4,003,000 compared with $1,549,000 in February, a considerable gain being shown after seasonal adjustment. The gain in exports and in tonnage cleared from Saint John and Halifax was less than normal for the season.

The index for the Maritime provinces was 90.8 in March compared with 94.3 in February.

Quebec — Business operations in Quebec during March were mostly a story of reverses. Contracts awarded were $973,000 compared with $1,210,000 in February, the threat of advancing prices for building materials being necessary to revive the industry. Electric output on an average daily basis was 24,125,000 kw.h. compared with 25,662,000 in February. The index of employment after seasonal adjustment showed a decline of one point.

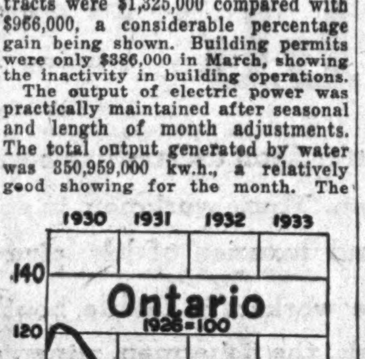


Bank debts were $534,000,000 compared with $562,000,000, the decline after adjustment being 7.7 p.c. Sales of life insurance showed a gain but the change was less than the normal increase for the season. Production of boots and shoes showed a gain in the latest month for which statistics are available. Imports of raw cotton showed a decline after seasonal adjustment and the gain in the output of newsprint was very moderate.

The business index of Quebec was 94.5 compared with 96.2 in February.

Ontario—Manufacturing operations continued quiet in Ontario during the month under review, the gain in prices of dairy products and livestock offering encouragement to the farming community. Construction contracts were $1,325,000 compared with $966,000, a considerable percentage gain being shown. Building permits were only $386,000 in March, showing the inactivity in building operations.

The output of electric power was practically maintained after seasonal and length of month adjustments. The total output generated by water was 350,959,000 kw.h., a relatively good showing for the month. The adjusted index of employment was 81.7 compared with 82.3. The decline in bank debits was severe, the total being $786,000,000 compared with $863,000,000 in February.

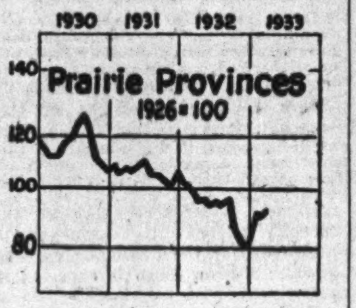


Sales of life insurance were $12,461,000 compared with $11,148,000, the gain being in excess of seasonal expectations. Automobile production showed a gain over the low level of the two preceding months. Livestock slaughterings were in considerably heavier volume. The primary iron and steel industry operated at a low percentage of capacity indicating slack demand for industrial equipment.

The index for Ontario in March was 73.0 compared with 74.3 in the preceding month.

Prairie Provinces—Four factors out of the eight used to determine the trend of business in the Prairie provinces showed gains in March, resulting in an increase in the index for the area. Industrial employment is normally less on April 1 than at any other point of observation. After the usual adjustment the index was 86.6 compared with 86.3 on March 1 continuing the gain of the preceding month. A marked gain was shown in bank debits, the total being $430,000,000 compared with $267,000,000 during February. The gain in the sales of life insurance was less than normal for the season.

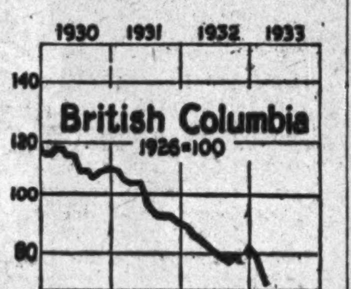
The receipts of wheat at country elevators and platform loadings were $20,850,000 bushels in March compared with $11,543,000 in the preceding month. The cash price for No. 1 Northern averaged 49.1 cents per bushel compared with 45.7, whereas prices are normally lower in March. The heavy volume of receipts and the advancing price had an important influence in raising the index for the three provinces.



The index for the Prairie provinces was 92.8 compared with 90.0.

British Columbia — The external trade through British Columbia ports was heavy in March showing a gain over the preceding month. Exports of Canadian produce were $11,010,000 compared with $8,323,000 in February and imports were $4,003,000 compared with $2,244,000. Tonnage of vessels cleared from Vancouver was 870,210 compared with 799,131 in February, a gain being shown after seasonal adjustment.

Other factors were mainly reactionary although sales of life insurance showed a rebound. Contract awards and building permits were lower and electric power production was at a lower level. The gain in employment was less than normal for the season and the same remark applies to bank debits.



The business index for British Columbia was 70.6 compared with 76.1 in the preceding month.

Commodity Prices

Commodity Prices at Wholesale‡

	Week ending Apr. 29	Previous week	Same week last yr.
Cattle (cwt.)	$5.20	$5.50	$6.50
Copper, lb.	.06¾	.06¼	.05¾
Cotton, lb.	.0790	.0760	.0560
Rubber, lb.	.0428	.0368	.03
Sugar, raw, lb.	.0320	.0325	.0262
Silk, lb.	1.60	1.50	1.37½
Wheat (Man.) bu.	.59½	.58¼	.60
Hides, lb.	.08	.07½	.04
Coffee, lb.	.08	.07½	.07⅞
Weekly Indices			
N. Y. Annalist	86.3	83.7	90.3
Fishers'	58.6	57.1	†62.0
N. Y. Journal of Comm.	57.6	56.9	58.2
Crumps (Brit)	60.6	60.1	†62.4

† Average 1932.

Monthly Indices

	Latest w'sale	Prev. month	Same month last year
Canada (D.B.S. (Mar.)	64.4	63.6	69.1
Retail (Mar.)	78.9	79.0	...
U. S. Labor (Mar.)	60.2	59.8	66.00
Gt. Brit. (Feb.)	66.7	67.7	71.1

‡ Basis of price quotations is as follows: cattle — steers, good, over 1,050 lbs., top price. Toronto; copper—electrolytic, New York; silk—Japanese, 13-15, New York; sugar—96 degree centrifugal c/f New York; wheat—No. 1 Man. North., Ft. W.-Pt. A. basis; hides—heavy native steers; coffee—Rio, No. 7, spot, New York.

Week's Figures Mostly Follow Seasonal Trend

Seasonal activity is evident in the improvement of many March indices over February, the increase in petroleum imports and automobile production being particularly significant. In the same manner the decline in coal output is the general trend at this time of the year. Rubber imports failed to show the usual March gain while the increase in electric output was somewhat against the usual seasonal trend. With the exception of the number of cars financed, none of the figures released during the week compared favorably with March a year ago.

Monthly:	April, 1933	Change From prev. period %	From prev. year %
Constr. contracts $	8,608,700	+169.6	—14.9
	Mar., 1933		
Electric output kw.h.	1,371,047,000	+5.5	—1.6
Pig iron, prod. tons	....	....	....
Steel prod., tons	11,212	—9.4	—74.2
Cars financed No.	5,214	+60.2	+5.3
$	1,764,424	+50.2	—12.9
Pete. imp. gal.	49,336,328	+31.4	—27.1
Coal prod., tons	812,393	—21.6	—20.7
Coke prod., tons	138,750	+8.6	—10.9
Auto. prod. No.	6,632	+101.1	—20.3
Newsprint prod tons	137,078	+9.1	—17.8
Life ins. sales $	29,763,000	+13.1	—20.6
Rubber imp. lbs.	2,495,430	—5.2	—57.0
	Feb. 1933		
Failures, No.	214	—1.0	—3.2
$	3,947,202	—2.6	+8.1
Weekly*	April, 1933		
Carldgs., No.	34,156	+13.3	—18.1
Wheat stocks, bu.	220,561,342	—1.5	+30.9
Do. expts., bu.	2,444,355	+14.5	—39.7

* Weeks ended April 22, 21 and 21 respectively.

New Industries and Plant Extensions in Canada

Compiled Weekly By The Financial Post

Turner Valley will be the scene of the erection of a naphtha absorption plant. Independent operators are the instigators in the move to erect a $500,000 plant and utilize 40 per cent of the Valley's daily gas flow. Naphtha and carbon black will be produced.

H. Holdroyd & Son, for many years wholesalers and distributors of yarns in Toronto, has leased factory space and will shortly begin manufacture, specializing in Brantford-style yarns. V. C. Holdroyd will be in charge of factory operations. About 25 persons will be employed at the mill, it is stated.

Gray Forgings & Stampings, Ltd., Toronto, has concluded arrangements with Bonney Forge & Tool Works, of Allentown, Pa., whereby the Gray-Bonney Tool Co., Ltd., is to be incorporated and the Bonney line of products made in Toronto.

Black & Decker Manufacturing Co., Ltd., makers of electric tools, subsidiary of a United States concern, has transferred its Canadian head office and other activities from Montreal to Toronto. All Canadian activities will now be carried on in Toronto, where an assembly plant was previously maintained.

Best Made Slipper Co., formerly of Buffalo, N.Y., and Fort Erie, Ont., has established a factory in Toronto and will commence operations immediately.

Butler Laboratories, subsidiary of Nu-tone Laboratories of Chicago, manufacturers of radio specialties, has leased manufacturing space in Toronto and is now in production.

Tidewater Oil Co. of Canada, Ltd., producers of Veedol motor oils, has leased space in Toronto for storage and blending of its product.

Klemm Automotive Products Co., of Chicago has concluded arrangements with the Faith Manufacturing Co of Canada, Ltd., Toronto, for the production of their line of oil filters. George S. Whitaker, Ltd., is local sales agent.

March Coke Output Higher But Daily Average Down

Coke production in Canada during March at 138,750 tons was slightly higher than the February total of 128,292 tons but still well below the March, 1932, figure of 156,108 tons.

During the month 37,577 tons of Canadian coal and 153,146 tons of imported coal, or a total of 190,723 tons of bituminous coal, were carbonized. For the first quarter of 1933, coke output aggregated 417,392 tons as compared with 451,134 tons and 515,265 tons during the corresponding periods of 1932 and 1931 respectively.

Canadian Business Indicators

Compiled by The Financial Post

	Weekly Latest 1933	1932	Cumulative Jan. 1 to date 1933	1932
Transportation—				
Car loadings (Apr. 22)	34,156	41,689	527,461	659,963
C. P. R. gross earn. (Apr. 14) $	1,760,000	2,122,000	25,333,000	30,643,000
C. N. R. gross earn. (Apr. 21) $	2,524,778	3,093,669	33,731,519	43,260,637
Automobile exports, No. (Feb.)	277	414	781	996
	Monthly			
C. P. R. net earn. (Mar.) $	877,495	1,170,502	1,297,479	2,017,415
C. N. R. net earn (Mar.) $	‡255,307	‡496,900	‡4,023,243	‡1,329,551
Iron and Steel—				
Pig iron, tons (Mar.)	nil	17,989	35,353	38,801
Steel, tons (Mar.)	11,212	43,572	64,352	97,101
Automobiles prod., No. (Mar.)	6,632	8,318	13,828	17,526
Automobile exports, No. (Mar.)	1,637	592	2,418	1,588
Construction—				
Building permits (Mar.) $	934,555	3,396,729	3,016,339	9,453,012
Contracts (Apr.) $	8,608,700	10,112,900	18,312,000	48,419,700
Newsprint—				
Production, tons (Mar.)	137,078	166,758	403,227	490,330
Exports, tons (Mar.)	138,005	171,650	373,230	487,008
Sugar—				
Imports, raw, lbs. (Feb.)	11,998,200	24,368,700	20,620,100	36,354,400
Melt & ship., lbs *	57,890,777	52,912,044	95,698,813	108,338,888
Manufactured, lbs.*	55,432,178	51,876,286	103,082,420	105,448,206
Flour—				
Production, bbls. (Feb.)	844,899	842,123	1,604,006	1,699,315
Wheat flour exp., bbls. (Mar.)	490,270	414,779	1,220,688	1,084,098
Other Industrial Indices—				
Lumbering: Plank & board exports, mill ft. (Mar.)	60.46	77.55	138.35	191.84
Boots and shoes, pr. (Jan.)	921,898	1,112,192	......	......
Petroleum, imp. crude, gal. (March)	49,336,328	67,635,135	121,977,107	188,946,525
Cotton, imp., raw, lbs. (February)	6,026,000	7,074,000	14,791,000	15,702,000
Rubber, raw, imp. lbs. (Mar.)	2,495,430	5,796,594	7,789,857	13,567,288
Coal, imports, tons (Mar.)	497,908	711,522	1,439,386	1,849,851
Gasoline sales (Jan.)	27,712,000	25,354,000	......	......
Trade—				
Imports (March) $	32,850,623	57,448,206	80,805,870	127,148,798
Exports (March) $	36,578,884	39,749,307	94,538,175	114,547,061
Wheat exports, bus. (Mar.)	14,815,705	9,920,634	40,444,843	29,291,343
Labor—				
Employment Index (Apr.)	76.0	87.5	......	......
Electric Power—Output—				
M. Kilowatt hours (Feb.)	1,299,566	1,325,133	2,696,205	2,739,051
Finance—				
Failures, No. (Jan.)	213	238	......	......
Failures, Liabilities (Jan.) $	4,049,929	4,060,643	......	......
Bank debits† (Feb.) $	1,830,277	1,990,046	3,799,152	4,061,081
Bond sales (Mar.) $	360,728	35,724,177	20,773,838	102,156,332
Insurance sales (Mar.) $	29,763,000	37,467,000	85,453,000	112,943,000
Automobile Financing—				
Used cars (Mar.) $	849,815	964,196	2,033,859	2,578,360
New cars (Mar.) $	914,609	1,060,440	1,905,628	2,420,852

*Four weeks period, Mar. 4 to Mar. 25. †(000's omitted). ‡Deficit.

BUILDING AWARDS FOR LAST MONTH SHOW BIG INCREASE

Activity Largely Confined to B. C. and Montreal, However

Construction contracts awarded in April at $8,608,700, while somewhat below the April, 1932, total of $10,112,900, were nevertheless a decided improvement on the $3,000,000 totals recorded in each of the first three months of the year, statistics compiled by MacLean Building Reports show. All types of construction have higher totals in April than in the preceding month, business buildings and engineering making the chief gains, the former from $1,269,200 to $2,473,000 and the latter from $429,300 to $3,849,200.

Residential building contracts increased from $1,106,800 in March to $1,881,000 in April and industrial construction from $386,300 to $405,500.

The increase of over 200 per cent in total contracts awarded over March is partially accounted for by the usual seasonal trend, although last year this spring movement was not in evidence and in prior years the increase has been less than 100 per cent as a general rule.

Quebec Leads

Quebec leads in contracts awarded in April with a total of $3,365,600, almost entirely in the city of Montreal. This total is higher than for April, 1932, by $400,000. Ontario is second with $2,045,100, almost exactly half of the April, 1932, figure. The total for Western Canada is $2,910,300 and for the Maritimes, $287,700.

Award of $2,000,000 for a bridge in British Columbia is chiefly responsible for the fact that engineering contracts in April are higher than in the corresponding month of 1932. Other types of building are slightly below the April, 1932, level, the 50 per cent reduction in business buildings being the greatest declines.

Large Awards

Large awards in April included the bridge in British Columbia, mentioned above, a hospital in Montreal at a cost of $1,000,000, park improvements in Montreal costing $344,000 and lightning rod protection installations on prairie elevators in Manitoba at a cost of $250,000.

Auto Output Doubles Previous Month's Total

Production of automobiles in Canada during March at 6,632 units exceeded by over 100 per cent the 3,298 units of February but was 20 per cent below the total of 8,318 cars reported for March a year ago. The increase in March over February was general to all types of cars with the principal gain being in closed passenger cars, this model rising to 4,984 from 2,887. Other advances over February were in passenger car chassis from 31 to 815, trucks from 273 to 705 and open passenger cars from 107 to 128.

Of the March total, 5,078 cars were made for sale in Canada, leaving a balance of 1,554 for export.

Big Works Programme

Northern Alberta Railways has announced works programme for the coming season totalling $441,740, according to an announcement made in Edmonton.

Aluminum Imports From U. K.

Aluminum imports continued high in March, imports from the United Kingdom being 115,958 lbs., valued at $32,310.

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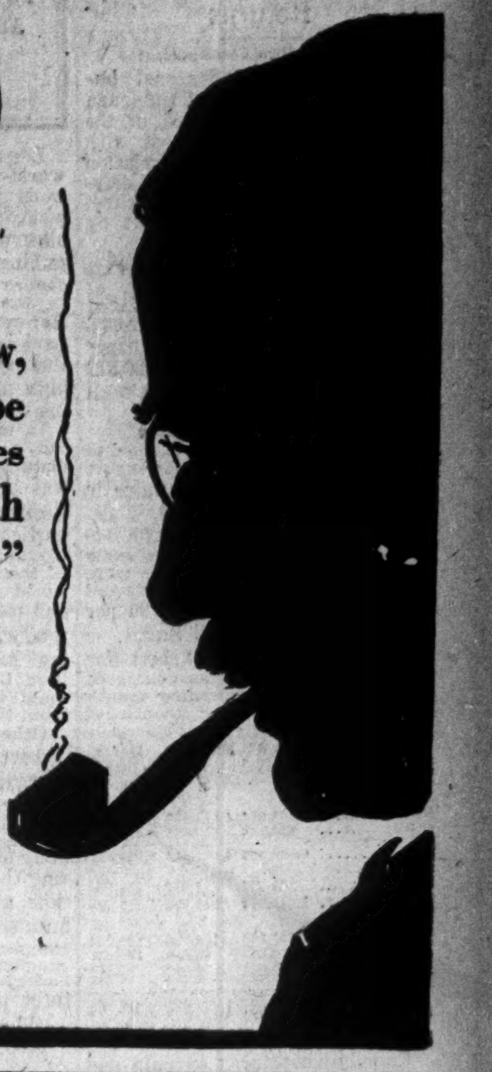

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PULP AND PAPER EXPORT BUSINESS ON LOWER SCALE

Lower Price and Demand Reflected in 1933 Returns

From Our Own Correspondent

MONTREAL. — Seasonal improvement in exports of pulp and paper products was noted in the March returns as compared with the preceding month, but in relation to March, 1932, the value of shipments shows a material decline. This is accounted for in part by lower prices.

The value of export trade in March, 1933, was $7,452,733, of which paper shipments accounted for $5,640,096 and pulp $1,812,637. For the same month last year paper exports had a value of $8,520,812 and pulp $2,348,470, making a total of $10,769,282.

Newsprint Values Down

Newsprint shipments continued to dominate the pulp and paper export trade, shipments having a value in March, 1933, of $5,403,954, a decline of approximately $2,700,000 from that reported for the same month for 1932. Shipments were made to 25 countries in March and of the total approximately 90 per cent went to the United States.

Following are the exports for the month of March as compared with those of the preceding month and the corresponding month of last year:

	March 1933	February 1933	March 1932
	$	$	$
Paper:			
Newsprint	5,403,954	4,261,033	8,143,167
Others	236,142	210,481	377,645
Total	5,640,096	4,471,514	8,520,812
Pulp:			
Sulphate	245,513	234,337	278,756
Sulp. (bl.)	1,235,314	926,899	1,473,590
Sulphite (unbl.)	231,300	178,720	320,234
Mechanical	90,097	65,619	142,435
Screenings	2,631	4,448	17,173
N. O. P.	7,782	1,203	16,282
Total	1,812,637	1,411,226	2,248,470

General Decline Noted

Cumulative returns on pulp and paper exports for the twelve months ended March, 1933, showed total value of $94,974,244 in comparison with $134,434,837 in the preceding year. Paper shipments declined in value from $106,750,055 to $77,188,109, while pulp exports were off in value from $27,684,782 to $17,786,135.

Details of pulp and paper exports for the twelve months ended March, 1933, with comparative figures for the corresponding period of 1932 follow:

PAPER	1933	1932
	$	$
Newsprint	74,136,863	103,003,352
Others	3,051,246	3,746,703
Total	77,188,109	106,750,055

PULP	1933	1932
	$	$
Sulphate	2,461,661	3,020,976
Sulphite (bl.)	10,563,222	15,898,585
Sulphite (unbl.)	2,207,290	4,565,281
Mechanical	2,438,060	3,858,473
Screenings	59,852	182,817
N. O. P.	56,050	158,060
Total	17,786,135	27,684,782
Total P. and P.	94,974,244	134,434,837

CON. INVESTMENT BONDHOLDERS GIVE APPROVAL TO PLAN

Move for Investigation is Set Aside When Vote Taken

From Our Own Correspondent

MONTREAL. — Reorganization plan for Consolidated Investment Corp. was approved by a majority vote at the adjourned meeting of the company's bondholders. There was not unanimity of opinion among those present as to the advisability of approving the plan. J. T. Thorson, K.C., of Winnipeg, made certain allegations against the board and demanded an investigation. A majority of the bonds were voted against this move.

Consolidated Investment has come in for a great deal of attention of late. Shrinkage in the value of the company's investments and its inability to live up to the terms of the trust deed, together with a decline in revenues, made it advisable to carry out a reorganization or to put the property into liquidation.

Cut Down Capitalization

The scheme of reorganization which provided for sharp substantial reduction in capitalization was sharply criticized, At the first meeting of the bondholders many grievances were aired, but as there were insufficient bonds present to constitute a quorum the meeting had to be postponed.

Under the terms of the reorganization the holders of the first collateral trust bonds will receive for each $100 par value of bonds $70 principal amount in new five per cent cumulative income bonds, one class A share and two class B shares; for each share of preferred, the holder received one class B share of the new company; and for each share of common in the old company, the holder receives 1/100 of a class B share in the new company. A payment of one per cent in cash on account of the first year's interest on its bonds was made by the new company concurrently with the delivery of new bonds.

Decline in Coal Output Over 20 Per Cent from '32

Coal output in March amounted to 812,393 tons, a decline of 20 per cent from the 1,024,000 tons produced in March, 1932, and 32.6 per cent below the five year average for the month of 1,206,128 tons. Production during the month consisted of 547,307 tons of bituminous coal, 38,674 tons of sub-bituminous and 226,412 tons of lignite.

Output from Alberta mines totalled 339,612 tons, a decrease of 31.3 per cent from the previous month when the total was 494,600 tons. Nova Scotia's production totalled 258,742 tons as against 273,942 tons in the preceding month while British Columbia produced 11,852 tons, a 13.2 falling-off from the preceding month. Saskatchewan's output was recorded at 70,217 tons and New Brunswick's at 31,970 tons as compared with February totals of 113,902 and 25,034 tons respectively.

Canada imported 497,908 tons of coal in March, just about half of the March average for the previous five years, anthracite amounting to 135,827 tons, over 100,000 tons of which came from the United States.

Britain Challenges U.S. Film Supremacy

Talkies Provided the Medium — Excellent Actors and Plays the Means — Yet Entry to Canadian Market Beset With Many Difficulties

By DONALD L. CALDER

Less than five years ago the world-wide supremacy of Hollywood productions in the moving picture industry received its first blow with the introduction of the talking picture, and Britain's chance to take a prominent place in the industry became evident. Her more recent productions which have been shown in Canada prove that she is now ready to take a high place as a producer of talking pictures.

In the five years prior to 1929, the only outside influence which disturbed Hollywood's placidity was the growing improvement in German and French productions, particularly the former. With photography paramount in the case of the silent picture, the Germans, world renowned for their lenses and mechanical contrivances, were producing pictures which, in several instances surpassed anything that the United States industry could accomplish, but the volume from these sources was small.

Other Competition Eliminated

Advent of the talkie, however, immediately opened up a new field for the British producer, who, with a wealth of "home" artists from the legitimate stage was immediately able to produce pictures starring these actors and actresses and take a large slice of the British business from the United States companies. French and German competition was relegated to the background and Britain became a force to be reckoned with in the world market.

British talkie productions, at first, were a potential rather than an actual threat to the virtual monopoly of the United States, due to the fact that early talkies could hardly be compared with the good Hollywood productions and also to the many difficulties which faced the British producer in his efforts to obtain distribution throughout the world. But progress, while slow, has nevertheless been sure, obstacles have been and are being overcome and the export market for English pictures is steadily widening.

Difficulties in Canada

With the exception of the United States itself, Canada has probably been the most difficult market to enter for many reasons. United States control of the majority of the Dominion's larger movie houses, a carefully nurtured feeling in the country to look to Hollywood for anything big in movies and the following obtained for United States "stars" through newspaper, fan magazine and radio publicity are probably the most obvious. Yet progress has definitely been made in the introduction of British pictures to Canadian audiences.

Import figures of movie films show that in 1932, more than 18 per cent of all moving picture film, by footage, entering Canada came from the United Kingdom while in 1931 the percentage was 12 and in 1930 only 4.5. While these percentages do not represent the percentage of feature films shown in Canada compared with those of the United States owing to the fact that United States feature films have had wider distribution, they do show the definite progress that has been made.

"About 15 per cent of all feature films shown in Canada in 1932 were of British origin," Henry L. Nathanson of Regal Films, Ltd., largest Canadian distributors of British films, told The Financial Post. "This is a great step forward from previous years and compares with less than two per cent in the days of silent pictures," he said.

Early Films Poor

All good British pictures that are produced are being shown in Canada, The Financial Post was informed, any films which are sent over and which would not appeal to Canadians being sent back. Under arrangements with Gaumont-British Pictures Corp. and other leading British producers, Regal Films Ltd., Toronto, is not under any obligation to accept all or any films produced by those companies. The standard required for successful showing in Canada is left to officials of Regal Films, Ltd.

Undoubtedly one of the most severe handicaps with which the British film had to contend in entering the Canadian market was one created by itself, that is, inferior early productions. Even the better productions of 1931, although some of them were box-office hits, failed to attain the mechanical excellence of the United States productions and seemed to suffer from mediocre direction. Building of a new studio by Gaumont-British — generally acclaimed the finest in the industry —with all the most modern stage and sound appliances, and the experience gained by directors, have successfully eliminated those faults, as such films as "Rome Express" and "The Good Companions" bear eloquent proof.

Public Sceptical

Probably on account of painful experience with early British movies, whether talkies or silent, the British film became "the dog with the bad name." It was the accepted practice among thousands of Canadian theatre-goers to carefully avoid theatres playing British movies and to condemn these pictures, not on their merits, but because they were British and their predecessors had been bad. That this handicap has been overcome to a great extent can be judged from the remarks heard on all sides.

Dewey D. Bloom, manager of the British films division of Regal Films, tersely expresses this change in attitude among Canadians. "Two years ago," he says, "and even last year to some extent, it was the smart thing to knock British films. As soon as Canadians realized, however, that Britain was producing something of which they could be proud, the inherent British instinct came to the fore and the attitude was quickly changed to one of commendation. Publicity efforts were introduced to further this natural inclination of Canadians for things British."

Hollywood has been an unwitting contributor to this change of attitude, Mr. Bloom pointed out, the long run of sad and depressing pictures coming from that source during the past year comparing unfavorably with the general brightness of British productions. The public, already depressed by poor business, were forced to view pictures of the type of "I Am a Fugitive from a Chain Gang," "An American Tragedy," "The White Sister," etc., all excellent pictures of their type but not calculated to make the world seem any brighter for movie patrons.

Passing of the Cinematograph Film Act in Great Britain in December, 1927, compelling theatre owners in that country to show at least 20 per cent of feature films of British origin, while hailed as a great benefit to the British industry, has been one of its greatest drawbacks as far as Canada is concerned. With an assured market of 20 per cent of all productions shown in Great Britain many small producers immediately began to produce films, as cheaply as possible, to fill the quota needs of theatre owners. These "quota films," as they are termed, were and still are frankly admitted to be terrible but they fill the need of operators who use them to make up their percentage during quiet summer months or when outstanding pictures are playing at rival theatres.

Unfortunately a number of these "quota films" found their way to Canada and their effect has had to be lived down. Canadians were naturally unable to distinguish between "quota" films and worthier British productions.

Fan Followings

Fan following of the leading Hollywood "stars" was something that British films did not have and names, well-known in Britain from their stage connection, proved of no value in Canada from the point of view of advertising. A different type of advertising had to be used until the Canadian public became "star conscious" of British actors. Even at present, this remains the situation to a great extent although it is interesting to note that a competent movie authority ranks Jack Hulbert among the six leading stars of moviedom as far as the box-office pull of his name is concerned. He is ranked in Canada along with Marie Dressler, Clark Gable, Greta Garbo, George Arliss and the Barrymores. George Arliss is of course one of a group of great British actors who have achieved movie fame via the American silver screen. Marie Dressler is Canadian and Greta Garbo is Swedish.

Co-operating with the theatre owner, the United States film companies provide vast quantities of publicity matter, advertising layouts, pictures, etc., which enable the owner to successfully advertise his show. This was almost entirely lacking in the case of British pictures, such publicity matter as was availabe being useless owing to the fact that the names of "stars" were unknown. The deficiency in this regard had to be made up by the Canadian distributor at his own expense in order not only to ensure successful showing of his pictures but to smooth the way for bookings.

Another difficulty, or rather disadvantage, in which British films are placed in competition with those from the United States is that not only are the players unknown but any songs included in the picture do not have the advantage of two or three months publicity over the radio as is the case with songs in United States' productions. Efforts are being made at the present time to overcome this handicap.

Add to these difficulties the fact that many Canadian exhibitors were unwilling to include British pictures on their schedules at all and the success achieved becomes the more remarkable.

Quality Paramount

There is no doubt that, in the final instance, the only thing which will firmly establish British films in Canada is quality. A certain measure of success is probable because of associations of Canadians with the Mother Country and because of more tuneful accents of the players, but the former is never a definite or stable item and the latter has been overcome by Hollywood through the importation of English players.

Britain, however, has many natural advantages which she is turning to account.

Home of the dramatist, British producers have numerous absorbing plots at their command, stories which could not be produced in the United States without the importation of complete English casts. Recent British productions have shown that this advantage is being used, "The Good Companions" being an outstanding instance of a movie in which the story is paramount. Some part of what progress has been made in Canada is certainly due to this excellent use of talented dramatists.

Cheeriness of the plot, as already mentioned, has undoubtedly meant a great deal. Musical comedy, comedy-drama and mystery plays are the types on which the British producers have concentrated, in all of which the sordid, seamy side of life has been kept well in the background. Educationally, perhaps, they have not contributed a great deal; there has been no Dickensian social reform propaganda. The public, however, pays for entertainment.

On the other hand, the value of the screen as a national advertising medium cannot be overlooked. Ten years ago at a dinner of film interests in London, the Prince of Wales is reported to have remarked that trade no longer follows the flag but rather the film. Unwittingly, perhaps, United States goods have received world-wide publicity through that country's moving pictures.

CANADIAN LIGHT COVERS DIVIDEND FOR LAST YEAR

Firm Contracts for Power — Keep Revenues Up to 1931 Level

From Our Own Correspondent

MONTREAL—Canadian Light and Power Co., subsidiary of United Securities, reports income for 1932 on a slightly lower basis than in 1931, but sufficient to cover the regular dividend of $1 a share on the common stock.

The company is in a fortunate position, according to Julian C. Smith, president, that through firm contracts for power generated it has been able to maintain its gross revenue at practically the same amount as in the previous year.

Maintain Gross Revenue

Gross revenues for the past year totalled $416,068 as against $417,352 in the previous year. Higher charges for depreciation and renewal reserve tended to cut down the amount available for distribution on the common stock as shown in the following comparative income account for 1932 and 1931:

	1932	1931
	$	$
Gross revenue	416,068	417,362
Less: Expenses	146,150	160,503
Depreciation	85,000	60,000
Bond interest	151,377	152,841
Net revenue	33,541	38,617
Less: Divds.	33,248	33,248
Balance	293	5,369
Brought forward	16,129	10,760
Carried forward	16,422	16,129

Higher Working Capital

The balance sheet at the end of last year displayed a satisfactory liquid position. Working capital at $55,000 net is slightly higher than in the previous year. Fixed assets at $6,663,685 remain much the same as a year ago.

Movable plant and stores is shown on the 1932 books at $8,647. In the previous report this was considered as a current asset and if included in the 1932 accounts would bring about an increase in working capital of about $10,000. Among current assets call loans registered an increase of $25,000 to $95,000.

Investment in bonds of other companies stands at $73,652 as against a par value of $75,000. In the 1931 report this item was shown at $49,758 and par value of $50,000.

The principal change among liabilities is the decrease of $112,600 in funded debt which now stands at $2,991,500.

Cocoanut Oil Trade Sought By Vancouver

From Our Own Correspondent

VANCOUVER.—A large share of the rich transpacific trade in vegetable oils will be diverted to this port, it is hoped, as a result of the plans of the Vancouver Harbor Board to establish oil tanks on the waterfront to accommodate this traffic.

Storage tanks of 50,000 gallons capacity will be built on the site of the Hastings mill at a cost of approximately $50,000. Construction will get under way immediately.

Large quantities of vegetable oils from the Orient and the South Seas pass through United States ports such as San Pedro, San Francisco and Seattle, and Vancouver intends to secure a large proportion of this business. It is expected that Empire trade agreements will encourage this movement. Considerable cocoanut oil has passed through Vancouver in recent months even without the tanks facilities. A large consignment was recently pumped direct from ship to tank cars for the overland run, and another 600-ton cargo is expected in a few days.

Pilchard oil tanks, built to handle the growing trade in this commodity from the west coast of Vancouver Island, are being shifted to a location adjacent to that of the vegetable oil tanks.

UNITED SECURITIES EARNS $3.13 SHARE DURING LAST YEAR

Moderate Drop in Income Restricts Earnings on Stock

From Our Own Correspondent

MONTREAL—Reduction in the payment of interest and dividends on the bonds and shares of certain companies carried in the company's portfolio reduced income of United Securities Ltd., in 1932 to $486,121 as compared with $516,529 in the previous year.

United Securities is a holding company jointly controlled by Shawinigan Water and Power Co. and Montreal Light, Heat and Power Consold. It has a majority control of Montreal Tramways Co., Canadian Light and Power Co., and other companies.

Pay Higher Premium

Expenses last year were again affected through the cost of money to meet the interest on the company's bonds payable in United States funds, this premium being $32,148 as against $29,596, in the previous year. Earnings on the capital stock amounted to $3.13 a share as against $3.76 in 1931.

	1932	1931
	$	$
Gross revenue	486,121	516,529
Less: Expenses	53,928	49,645
Bond interest	270,041	273,996
Net revenue	162,152	192,888
Less: Dividends	102,522	102,522
Balance	59,630	90,366
Less: Loss on sale of securities	1,458	......
Add: Profit on sale of securities	......	1,384
Brought forward	*206,871	*115,218
Carried forward	265,043	206,968

*Adjusted.

The company's balance sheet revealed a satisfactory position at the end of 1932 with assets totalling $10,447,591 compared with $10,455,293 at the close of 1931.

Investments are carried on the books at $10,226,859 as against a market value of approximately $5,176,025. in the previous year investments were shown at $10,255,407 and the market value at $6,841,540.

Current assets show an improvement with an increase in call loans from $50,000 to $95,000 which more than offsets minor decreases in other items. Current liabilities remain much the same as at the end of 1931.

A further reduction was made in the company's outstanding funded debt. The series A bonds were reduced by $49,500 to $3,378,500, while the Series B bonds were lowered $23,500 to $1,537,000.

Halifax Reports Activity More Pronounced in March

From Our Own Correspondent

MONTREAL.—Port of Halifax reports an increase in cargo tonnage for March last as compared with the same month a year ago, according to the monthly shipping report of the commissioners.

Total tonnage inward and outward bound handled during the month was 143,111 tons which compares with 137,842 tons in March, 1932. An increase of 29 was reported also in the number of vessels entering and clearing the port in March.

Passengers landing and embarking in Halifax in March decreased from last year's total of 3,021 to 2,817. A decrease is shown also for the first quarter of this year compared with the same period of 1933, the total dropping from 7,796 to 7,331.

Kraft Paper Makers Agree to Limit Output

From Our Own Correspondent

MONTREAL. — British and Canadian manufacturers of glazed and unglazed kraft paper have arrived at an understanding to limit production so as to steady the market for their products. Announcement to this effect is made in the British House of Commons by Walter Runciman, president of the Board of Trade. Mr. Runciman added that the understanding was entirely satisfactory to the British industry.

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BRAZILIAN TRADE GOOD INTERNALLY POOR EXTERNALLY

High Tariff, Low Exchange Make Importing Hard; Exports Low

EXCHANGE DEFICIT

Three-year Debt Moratorium Insufficient to Balance Accounts — Industry Thriving

Internal trade of Brazil was good during the last three months of 1932, after being dull in the first six months, and idle in the third quarter, because of the civil war, according to the Canadian trade commissioner at Rio. External trade was on a reduced scale in 1932, due to the internal strife and the adverse exchange situation. But the decrease in 1932 was substantially less than the decrease in 1931, by volume and by value.

The condition of internal trade was flourishing during the last quarter of 1932, particularly at Christmas. This may have been due to the restricted trade of the third quarter, which probably deferred purchases. The condition of internal trade for the year may be measured by the revenue of the eight government owned railways and their deficits. These were:

Total Revenue and Deficits of Eight Brazilian State Railways

	Total Revenue contos†	Deficit* contos†
1930	204,544	43,489
1931	199,628	12,594
1932	196,642	7,591

* Excluding interest, depreciation, new rolling stock and construction.

† About $85 Canadian.

This maintenance of total revenue is considered good, since the main line of the Central Railway was cut off for three months of 1932 by the revolution.

External trade was less encouraging in 1932. The balance of visible items was in favor of Brazil by £14,885,000, gold, as against £20,788, gold, in 1931. The 1926-30 average was an inward visible balance of £10,099,000. Brazil has practically no invisible exports. The following table gives an indication of Brazilian trade in the last five years:

Import and Export Trade of Brazil, 1929-1932

	Metric Tons 000's	Brazilian Contos 000's	£ Sterling Gold 000's	Gold Value Per Ton £
Imports—				
1928	5,839	3,695	90,669	15.5
1929	6,109	3,528	86,653	14.2
1930	4,881	2,344	53,619	11.0
1931	3,552	1,881	28,756	8.1
1932	3,336	1,519	21,774	6.5
Exports—				
1928	2,075	3,970	97,426	47.0
1929	2,189	3,860	94,831	43.3
1930	2,274	2,907	65,746	28.9
1931	2,236	3,398	49,544	22.2
1932	1,632	2,537	36,629	22.4

The drop in value of imports, measured in gold pounds, amounts to 76 per cent in the last five years. Exports have dropped nearly as much. In the last quarter of 1932, imports were larger than in the corresponding period of 1931. This was probably due to deferred purchases from the third quarter when the port of Santos was closed.

Brazil's exports are an important measure of her buying power because of the absence of invisible export items.

Exchange Shortage

The shortage of foreign exchange to cover importers' and debtors' requirements was calculated at $100,000,000 (U.S.) about the middle of 1932. This is probably larger now. This is the accumulation of remittances awaiting shipment abroad.

The three-year moratorium on foreign debt, which was decreed in March, 1932, has allowed relief of about £20,000,000 annually, which governments of Brazil had to pay abroad. But this has not been sufficient. One of the reasons is that the Bank of Brazil has been paying off £500,000 monthly on the £6,500,000 credit received from Rothschild's last year. It is expected that this operation will be completed by the middle of 1933. Other causes of the scarcity of foreign exchange are decreased coffee exports and possible purchases of war materials in consequence of the Colombia-Peru dispute.

"Restrictions render exporting to Brazil very difficult," says the trade commissioner. "The burden really falls on the Brazilian exporter who has to sell his drafts to the bank of Brazil at 13 milreis to the dollar, when on the curb market (illegal but active) about 20 milreis is being obtained.

"The advocates of a controlled milreis believe that if control were taken off, the milreis would depreciate to a point where it would render it impossible to pay existing bank and government debts abroad and to purchase essential raw materials, such as coal, gasoline and wheat.

"The weak point of the exchange control system appears to be the tendency for countries under this regime to make special exchange deals between themselves on a reciprocal basis which prejudice the trade of countries supplying cover (exchange) freely."

Brazilian industry has been doing well, due to the exclusion of foreign goods by high tariffs and depreciated exchange. Textile plants have been particularly busy, and no unemployment is noted in this trade.

Wholesale prices dropped about 22½ per cent between June, 1928, and June, 1932. This is small compared to other countries. The high tariff and exchange shortage have contributed to the high price level, which has tended to restrict export trade. It is thought that price indices may be higher for the last half of 1932, due to 800,000 contos of internal currency issued at the time of the civil war.

The Bank of Brazil has had profitable results from its monopoly of exchange transactions. It has also profited from the compulsory deposit, of all banks' reserves over 20 per cent of their deposits, at one per cent interest. Against these the bank grants long term credits to banks on suitable security at from six to ten per cent interest. This "banking mobilization department" was created by decree last year to release idle bank deposits and for emergency issue of notes if necessary.

United States Inflation Programme Unprecedented in History

Conservative Economists and Bankers Think Roosevelt is Playing with Fire, but Confident, Liberal-Advised President is Determined to Break Depression

By Staff Editor

WASHINGTON.—The Great Inflation is on. His monetary programme approved by Congress, President Roosevelt, advised by a group of Liberal thinkers whose banking and financial experience adds up to a very small total, is now in a position to attempt three experiments. One has never before been tried in any country, namely to use credit inflation as the cure for depression. The second has never been successful in any country, namely, keeping currency inflation under control so as not to utterly debase paper money. The third is an experiment successfully tried by Britain and other countries; to manage the currency in favor of a stable or rising price level at home at the same time avoiding chaos in foreign exchange.

As outlined in last week's dispatch from Washington the money programme of the government embraces these steps:

1. Pumping credit into the banks in the hope that it will be sought by and extended to confident business enterprise;
2. If that fails to turn the tide permanently, to print new fiat money and put it into circulation;
3. To give the initial impetus to borrowing demands by spending billions on new public works;
4. Eventually to write down the gold content of the dollar as part of an effort to achieve currency stabilization throughout the world, and ease the burden of debtors.

Even many conservative financiers approve the credit inflation programme of the President, although bitterly opposing currency inflation by the country. The first item in the programme, for which authority has been granted by the Senate, provides for the purchase of $3,000,000,000 of government securities by the Federal Reserve system. Such operations could conceivably double the volume of bank credit in the country. There is nothing new in this process. Open market operations by the Federal Reserve system have long been a phase of American credit policy.

Means $30,000,000,000 Credit

Theoretically, if the Federal Reserve banks purchased $3,000,000,000 of Government securities in the open market and enlarged credit on the usual ratio of 10 to 1, bank deposits in the country and therefore the liquid capital of industry ought to increase by $30,000,000,000. But it is recognized that the mere existence of a large volume of unused money or credit will not necessarily stimulate prices and business turnover. For instance, last year the Federal Reserve system increased its holding of Government securities by well over $1,000,000,000, which should have had the effect of increasing the loans of the banks by several times that figure. Actually it is doubtful if the open market operations led to the lending of as much as $1 for industrial or business developments. The bond market strengthened but commodity prices did not respond. Without general business confidence, no one entered into new business operations requiring any of this money. At the end of the year the banks had $600,000,000 of excess reserves which had not been translated into credit for business. It was not surprising then that toward the end of the year, the Federal Reserve system abandoned open market operations. Its controllers did this because frightened gold had started coming back from Europe to the United States and credit was excessively cheap and easy without being used. Apparently the new administration has decided that if it floods the banks with money, eventually this money will serve to stimulate a rise in prices of a permanent nature and to galvanize borrowing by business. The outright inflationists contend that the reason the credit easing policy failed last year is that it was stopped too soon. The anti-inflationists contend that the failure of open market operations last year portends the failure of the new programme.

Already Have Pavers

One might ask why this legislation was needed at all if the Federal Reserve system already has facilities for unlimited credit easing. The Federal Reserve Board has always shown a willingness to co-operate with the Government in any financial operations designed to ease or restrict credit. If the Federal Reserve Board has been told by the President that he had wanted the banks flooded with credit by open market operations the Board could have done very little but put such a policy into effect. Probably the President thought of the psychological effects of putting an old policy into new legislation. It would make business see that he was determined to force rising prices. And also by tying it up with the second part of the programme, which provides for currency inflation through the use of the printing press, he was serving notice upon the banks, upon speculators, upon business men that it would be well to make the credit inflation programme work if they did not want the plan for currency inflation invoked.

Second Step is Gamble

No one denies that the second section of the American legislation, providing for the issuance of $3,000,000,000 of paper or printing press money with no security back of it except the promise to pay of the American Government, is dangerous, speculative inflation for which precedent can be found only in the German mark and similar inflationary excesses in the past.

How to Get it Used

The problem that Mr Roosevelt is faced with is that of getting the new credit or even the new currency into use. The creation of credit and money really means very little. The real problem is to stimulate its use and speed up its turnover. Primarily the important factor is that of confidence. If business men generally become convinced that the speculative rise in stock, bond and commodity prices, that has taken place, is going to be sustained then they will begin to make real purchases of raw materials and begin to fill their shelves with goods. There is very little evidence yet of actual buying of this character as distinguished from purely speculative operations. President Roosevelt is hopeful that such buying will develop practically at once and put a firm foundation under the rather flimsy superstructure of speculative prices.

Start Spending Programme

Both the radical and the conservative economists are agreed that some artificial means will have to be adopted to force money into circulation. An enormous programme of public works is inevitable. Thus the country will adopt the plan of cutting "current" or budget expenses drastically while making unlimited "capital" expenditures. The administration is said to be keenly disappointed to discover that a really large programme of necessary public works, a programme sufficiently large to stimulate the use of credit on the scale provided for in the inflation bill, will take some months to get under way if it is to be carefully and efficiently planned. Washington expects that the President will cut through the red tape and initiate a programme of spending without too much consideration for the efficient use of the money. Public works involving the expenditure of billions of dollars may be undertaken at once. One of the most conservative men in Washington said to me: "We will have to spend the money the way we spent it during the War and then punish the grafters and investigate the waste afterward, just as we did after the war."

No one can say yet what is going to be the result of this vast inflationary gamble initiated by President Roosevelt. Stand-pat newspapers, like the New York Herald Tribune, can see nothing but disaster from the programme. Senator Carter Glass, who for 20 years has been the guiding monetary authority of the United States Senate, rose from his sick-bed last week to make a carefully studied attack upon the entire programme which he stated would utterly demoralize the financial structure of the country and bring untold harm to investors, wage earners and the public generally.

Ogden Mills, who was Secretary of the Treasury in the Hoover Cabinet, thinks that the programme goes too far. He recognizes the need for an expansion of credit and a rise in prices and he believes that the Government would be justified in using all proper means to achieve these objectives. But he does not feel that it is necessary to abandon a stable standard and to resort to deliberate debasement of the currency to stimulate a rise in prices. Mr. Mills states that if there is to be uncontrolled inflation there will be an atmosphere of fictitious prosperity for a while, as prices rise and business is stimulated, but he is afraid that the whole movement will get beyond control and lead to disaster, the final result being a worse slump in business than the one the programme was designed to correct.

No Precedent For It

The reason why it is impossible to make a definite forecast of the results of the Roosevelt inflation programme is that a deliberate policy of controlled inflation has never before been undertaken by any country at the bottom of a depression. In the past, when recovery had already started, the process of improvement has been given some stimulus by the easing of credit, but this was not until some measure of confidence had been restored and the fundamental causes of the depression had been removed. In the present case it cannot be said that general confidence has been restored and it cannot be said that the primary causes of the world economic crisis have yet been eliminated.

See Confidence Stirring

As to the first, the President is hopeful that the mere inauguration of such a drastic programme of recovery combined with the publicity given to the conversations with the foreign prime ministers on basic problems will serve to restore confidence and help to make the inflation take.

As to the second, business men must look forward to the World Economic Conference, where some progress may be made in settling the vexed problem of war debts and in starting a downward movement in tariffs with the avowed purpose of starting world trade moving again.

Devaluation Not Near

No part of the programme has been more misunderstood than the power given to the President to reduce the gold content of the American dollar. Mr. Roosevelt does not know at what time and to what degree he will use his authority. Primarily there was in his mind a realization that the attempt to maintain the gold standard in the United States was contributing to the continued deflation of prices. Actually the gold standard was never in any danger. From time to time the European speculators raided American gold supplies but there was a great excess of gold in the country and by a very simple change in the gold reserve requirements very large sums of gold could have been freed for export. But so long as the American dollar was tied to gold, while the currencies of an increasingly large number of countries were being managed to secure internal stability of prices without regard for gold prices, there was bound to be a marked disparity between competitive costs in United States and in other countries. The position of France was somewhat different, for France had already devalued its currency by 80 per cent and had achieved some measure of adjustment as a result. The President felt that management of the American dollars in co-operation with other countries offered the best basis of achieving a measure of world stabilization of currencies and a restoration of the competitive export position of American farmers and other producers. So, with calm deliberateness, he took the United States off the gold standard, an action that has never voluntarily been taken by any country before.

At Washington, Mr. Roosevelt discussed plans for a new basis of gold content for the American dollar, as for the British pound and the Canadian dollar, at all times having very clearly fixed in his mind the idea that reducing the gold content of currencies would not in itself provide the magic formula for world recovery that many economic writers have promised of such a move.

It was found impossible to reach a definite basis of agreement with the British and the French, who felt that it was much too early to determine at what basis currencies should be stabilized ultimately. It is possible that the forthcoming World Economic Conference will see some progress toward the determination of national and international policies in this regard.

Find Natural Level

The understanding reached between Britain and the United States on this point was that their respective currencies would be allowed to reach their natural levels as determined by experience. Both countries will aim at an increase in internal prices, probably somewhere between the 1928 level and the present level. The Americans would like to have the British write down the gold content of the pound by the same percentage that the American dollar is written down but the British in turn feel that, to maintain their competitive position, it will be necessary to wrte down the British pound to an even greater degree. One forecast is as good as another, but a consensus leads to the expectation that the gold content of the American dollar will be reduced by around 30 per cent; that the British pound will be devalued so that its new parity will be approximately $4, as compared to the new American dollar; and that the Canadian dollar will be revalued at a point as close to the British pound as our intimate financial relationships with the United States will permit, which might mean a new Canadian dollar worth about 90 cents in terms of the new American dollar. What Canada ultimately will do is harder to forecast than what either the United States or Britain will do, because it is much more difficult to weigh all considerations in the balance and undoubtedly very strong pressure will be exerted upon the Canadian Government, both from Canadian and American sources, to maintain permanent parities between the Canadian and American dollar and thus to avoid the incidental necessity of rewriting school text books and accustoming the Canadian people to a permanent discount on their dollar when they travel in the United States.

Conversations Informal

It should be emphasized that all the conversations at Washington have been of a very informal and preliminary nature. It was never the intention to reach agreement on any matters whether relating to security through disarmament, war debts, tariffs, currency stabilization, expansion of credit or anything else.

Money Cure Not Enough

Also it should be emphasized that in the minds of all the statesmen who conferred at Washington was a recognition of the fact that no amount of financial or monetary juggling can be effective at all in bringing permanent improvement into the situation unless other and more fundamental problems are solved.

Perhaps the most hopeful feature of the situation is that President Roosevelt has a fixed determination to lead the world out of the present economic swamp. To do this he is prepared to effect a radical and permanent change in American fiscal policies; to change it from one of extreme nationalism to one which recognizes the responsibilities of a great creditor nation.

Finds New Advisers

In carrying out this policy, the President will be guided by an interesting and thoroughly unconventional group of intimate counsellors comprising Secretaries Woodin and Hull, his "brain trust" and such high officials of the State Department as Hon. William Phillips, former Minister of Canada and now Under Secretary of State. So far the Federal Reserve Board and the Wall Street bankers have not been called into consultation at all. To some extent this is because the President feels that the previous administration was given a great deal of exceedingly bad advice by these groups. Conservative banking advice having failed to bring any measure of improvement into the situation, the President is ready to listen to more liberal views. He is ready to try anything that promises to alter the fundamental pictures. Bankers and the type of economists who advise bankers are not given to trying any experiments that have not been proved in the laboratory of past experience. Roosevelt is too impulsive to rely upon traditional policies in any matter and he is going for his advice to people whose views are not bound around by the traditions of past experience.

Feeble Federal Reserve

At the moment the Federal Reserve Board is one of the most innocuous institutions in Washington. While it is supposed to be composed of eight members, of whom five constitute a quorum, there are at the moment only five members of the Board including the Secretary of The Treasury, ex-officio member. One of the members has already handed in his resignation, two others are due to have their terms expire soon and one is getting on in years. The one who has resigned is Eugene Meyer, governor of the Board, a conservative Republican and a typical representative of Wall Street banking at its best and at its worst. Mr. Meyer will not remain on the Federal Reserve Board to carry out any such policy as the President has in mind. At the same time the President would not care to have Mr. Meyer in control of his programme. Whom he will appoint as chairman is undecided. There is a suggestion that the job may go to young James Warburg, nephew of the famous Paul Warburg, who was one of the framers of the Federal Reserve system. The younger Warburg is president of the family's bank in New York, he is somewhat radical in his views on banking matters, he is in the inner counsels of the President and he sat in on the conferences that drew up the inflation programme. Failing the appointment of Mr. Warburg the job is likely to go to Adolph C. Miller, at present a member of the Board, who is wealthy, well established socially, not too industrious and not particularly well regarded by all his associates. His appointment would not lift the Board from its present obscurity.

Several other members of the Federal Reserve Board are due to retire in the next few years through old age or the expiry of their terms so that counting appointments already made and those that will have to be made the President is likely to have the task of appointing an entirely new Board during his first term of office.

Quarterback Roosevelt Says "It's a Long Field"

When American newspapermen quizzed President Roosevelt about his great monetary experiment the president likened the programme to a football game. "We know where we want to carry the ball but we can't say what each successive play will be. All we know is that we have to make a certain advance on each four downs or we lose the ball."

Using the president's simile, he himself will call the signals but he will use plays devised by a board of strategy consisting of his liberal advisers.

At least one fake play has already been used, the giving of permission for limited exports of gold prior to the United States' formal departure from gold.

When The Financial Post last week joined a group of White House correspondents on a visit to the president, it asked what the first play would be in this great game of inflation. Roosevelt dodged an answer. "We have yet to find a definition for inflation that satisfies everyone," he replied.

"Then you don't know whether the next signal will be for a buck, a kick or a forward pass?" he was asked.

"No," replied the smiling president, the coolest, calmest man in all Washington. "All we know is that it is a long field."

Putting More Silver in Coins Would Aid Sale of the Metal

"Improvement of the status" of silver is part of the international monetary plans considered in the recent MacDonald-Roosevelt conversations in Washington. Conservative and informed authorities feel that this means possible increase in the use of silver for subsidiary coinage under a gold standard. This could be effected by restoring the former silver content of token coins which was substantially reduced during or just after the war by many countries. It would provide a better market for silver.

Free minting of silver in a fixed ratio to gold is not expected to be seriously considered by most nations, authorities think. The United States Senate has recently approved such a policy.

Bimetallism, as this scheme is called, is agreed by experts to be impossible over a period of time. Under Gresham's Law (that bad money drives out good money) the more desirable metal is forced out of circulation. The less desirable metal, at present silver, comes into use in greater quantities to the constant detriment of creditors. Wide price changes and currency fluctuations also result.

If all the nations of the world agreed to adopt bimetallism in the same ratio, it might be possible, economists believe. But they do not think such an agreement could be reached or that it could be maintained inviolate. Some nations would probably desert sooner or later.

Restoration of Content

Restoration of the silver content of subsidiary coinage by countries like Great Britain could be done without difficulty, but at additional expense to the Government. The 925/1,000 silver alloy, which had been used for coinage for the better part of 900 years in Great Britain, was reduced to a 500/1,000 alloy in 1920. This was done because the price of silver had risen to a point where it was profitable to the public to melt down silver coins. An enormous market for silver could be revived by restoring the 925/1,000 silver alloy, "the ancient right standard," to British silver coins. Other countries could do the same.

The economic experts who drafted the agenda for the World Economic Conference, to open at London on June 12, commented that as far as the Orient is concerned, "trade interest would best be served, not by a rise in the price of silver as such, but by a rise in the general level of commodity prices." This, they contend, would have "a favorable effect upon the price of silver."

The United States plan to accept up to $200,000,000 in silver, valued at 50 cents an ounce, on June 15 war debt payments, is designed to improve the market for the metal. The chief uses which could be made of so much silver in the United States would appear to be in increasing the proportion of silver in the subsidiary coinage, or as "backing" for new currency issues. Perhaps it would also allow the United States to obtain a large stock of silver at a lower price than it would cost if bought on the bullion markets.

Economic History Repeats Itself

Wisdom and Fallacy Down the Ages

* * * *

ECONOMIC CONTROL OF ANCIENT CHINESE DEPRESSIONS

Depressions have been recorded periodically in the history of China. The nearest Chinese word for depression is Huang, which means desolation. There is a classical term "Huang Cheng," which means political measures to deal with desolations. The oldest record of these measures can be found in the Chow Li, attributed to the Duke of Chow of the twelfth century, B. C.

The following translation from the Chow Li was made by Dr. Kiang Kang-hu of the Gest Chinese Library of McGill University and is published by the Royal Bank of Canada. The explanation after each item is supposed to have been written in the first century, A. D.

"One. The Distribution of Surplus Treasures.—The government will provide not only funds for the relief work, but will also open up all storages of accumulated grains and other necessities of life for direct distribution.

"Two. The Lowering of Taxation.—This will relieve people from public burdens and thus enable them to be self-supporting. The average land tax was less than ten per cent of its productive value and there were very few other taxes. During the time of depression the land tax was usually halved, or from the famine-stricken regions totally exempted.

"Three. The Mitigation of the Severity of Criminal Punishment.—This is because people are more easily driven to crime when in distress, and therefore they deserve special mercy.

"Four. The Withholding of Labor Conscription.—In the ancient times all male citizens, excepting officials and scholars, were subject to government conscription for public works between the planting and the harvesting seasons. This conscription would be withheld in times of depression, so that the people might work more profitably.

"Five. The Lifting of Legal Prohibitions Against the Use of State Property.—According to the Law of the Chow dynasty, all mountains, rivers, forests and mines were publicly owned and were prohibited from private exploitation. This prohibition would be lifted and the people would be allowed to enjoy the products of the state property.

"Six. The Abandonment of Trade Restrictions. — Although there were no customs duties in the Chow period, inspections and restrictions were in force on both imports and exports between states. These would be abandoned in times of depression to facilitate free transportation and quick exchange.

"Seven. The Elimination of Social Ceremonials. — This is a measure of social economy and thereby unnecessary expense would be saved for necessary purposes.

"Eight. The Simplification of Funeral Rites. — The Chinese often over-do funeral and burial services, and this would rule out all superfluous expenditures for the dead.

"Nine. The Prohibition of Public Musical Performance and Amusement of Any Form.—Aside from sacrificial and educational purposes, theatricals and musical performances for amusement would be banned in times of depression, much in the same way as it would be in mourning.

"Ten. The Encouragement of Simple and Easy Marriage.—As marriage in old China was expensive and difficult, this would be a great relief for poor people in hard times.

"Eleven. The Holding of Prayer Services.—When the emperor led the officials and the people to pray to heaven and to the national patron gods for the speedy return of prosperity, it would certainly have a psychological effect on the populace.

"Twelve. A Check on Thieving and Banditry.—Since depressions always brew more unrest and uprisings, an effective check of these from the very beginning would save the country from revolutions and wars."

Employment Shows Gain In B. C. and Maritimes

Entirely opposite employment trends are responsible for increased employment in two economic areas of Canada at April 1. Other areas reported losses as did the total for the Dominion. British Columbia and the Maritimes were the gainers, the former being affected more by increases in logging, lumbering and trade, than by losses in mining, construction and services, while the latter increased under the influence of greater employment in manufacturing, mining and construction in the face of losses in logging, communications and trade.

Total employment at April 1 in Canada was lower than at the beginning of the previous month, the uncorrected index on the base of 1926 equals 100 being 76.0 compared with 76.9. Increases were recorded by manufacturing, transportation and wholesale trade while construction, mining, communications and logging reported decreases. Among manufacturing industries, leather, animal products, lumber, textile and iron and steel made the largest gains.

Employment in Cities

Despite the increased employment in British Columbia, Vancouver is the only large city to report a contraction in employment from March 1, Toronto, Montreal and Windsor reporting increases and the others showing little or no change.

Maritimes—Employment increased despite reduced logging, communications and trade activity. In 1932 there was a reduction in employment compared with March 1, the number employed being greater at that time.

Montreal — Nearly 2,000 persons were added to the payrolls of the 1,107 co-operating firms bringing them to 112,263. Textile manufacturing was the chief gainer.

Quebec—No change in totals resulted from increases in construction and reduced manufacturing activity.

Toronto — Manufacturing and services made slight increases; losses in communications, transportation and trade.

Ottawa—151 firms had 71 fewer workers, losses being chiefly in manufacturing.

Hamilton — Manufacturing and transportation accounted for the increase of 82 in persons employed by 237 firms with a total payroll of 22,247.

Windsor — Automobile firms accounted for the increase from 8,977 to 10,108 reported by 134 firms.

Winnipeg — Although construction and manufacturing were more active the payroll of 394 firms dropped 92 to 32,526. Communications, transportation and trade were slacker.

Vancouver—Employees of 341 firms dropped from 24,838 to 24,396, manufacturing showing the greatest losses.

Nova Scotia Honey Production

The 1931 census shows 34,693 pounds of honey produced in Nova Scotia, an increase of 79 per cent over the previous census period. The three Valley counties, Annapolis, Kings and Hants produce 77 per cent of the total, Kings County being the leader with 30 per cent of the production for the province followed by Annapolis County with 25.5 per cent.

CAN. PAPERBOARD REORGANIZATION PLAN PRESENTED

Bondholders Given Control Under Proposal Put Forward

FUNDED DEBT OUT

Plan Covers Four Operating Units and Holding Company Which Will Issue Stock

From Our Own Correspondent

MONTREAL.—Plan of reorganization for Canadian Paperboard Co., which has been in the hands of the receivers since 1930, has now been drawn up and presented to the bondholders for consideration.

The scheme provides for the working out of funded debt charges and giving control of the company to the bondholders.

Form Four Companies

It is proposed to form four separate operating companies and to transfer all undertakings and property to them. Each operating company will have control of one plant. These plants are located in Montreal, Toronto, Campbellford, and Frankfort. All the operating assets will go to the Montreal company.

Control of the operating units will be held by a holding company, which will acquire all the capital stock of the operating units.

Creditors of Canadian Paperboard Co. at present follow: bondholders (principal and interest) $1,568,700; Quinte and Trent Valley Power Co. for claim against trustee in bankruptcy and receiver and manager, $44,167; ordinary creditors with proved and admitted claims, $578,600; preference shareholders, $402,600; common shareholders, $2,100,500.

Distribution Under Plan

In the plan of reorganization it is proposed to give the bondholders for each $100 principal amount and interest accrued to April 1, 1933, one preference share in the holding company. In addition, for each $400 in principal amount of bonds and interest accrued to April 1, 1933, bondholders will receive one common share in the holding company.

Ordinary creditors will receive one common share in the holding company for each $100 claim proved and admitted by the trustee in bankruptcy. Preference shareholders will receive one common share in the holding company for each two preference shares of Canadian Paperboard. Common shareholders will receive one common share in the holding company for each ten common shares of Canadian Paperboard.

Preferred Has Control

The initial authorized capital stock for each of the operating companies will consist of 2,000 shares without nominal or par value, while the initial authorized capital stock of the holding company will consist of the following: $2,500,000 7 per cent preference shares, cumulative to January 1, 1936 and, until redeemed, carrying exclusive voting rights and 20,000 no par value common shares, carrying voting rights only if, as and when all preference shares shall have been redeemed.

Provided that the committee's plan receives the approval of the bondholders, creditors and stockholders, the capital stock of the holding company will be distributed on the following approximate basis:

Proposed Stock Disbursement

Bondholders will receive 15,687 preference shares, or all of the issued stock, and 3,922 common shares out of a total issue of 13,821.

The special claim of the Quinte & Trent Valley Power Co., amounting to $44,167, will rank as a senior obligation and will be redeemed on or before April 1, 1943, with interest from January 1, 1933, at 5 per cent per annum, payable semi-annually.

The ordinary creditors will receive 5,786 common shares of the holding company.

Preference shareholders will receive 2,013 common shares, while common shareholders will receive 2,100 new common shares of the holding company.

SIR CHARLES GORDON VIEWS NEWSPRINT

Tells St. Lawrence Shareholders Never Saw Industry so Demoralized

From Our Own Correspondent

MONTREAL. — Annual statements of St. Lawrence Corp. were accepted at the shareholders meeting, though objections were voiced by a group present, presumably minority shareholders of Brompton. At the same time the Board of Directors was re-elected without change.

The highlight of the meeting was comments made by Sir Charles Gordon in response to a query as to the current position of the bankers' committee. For some time past this body has been seeking ways and means to bring together various units in the industry and to achieve a comparative stability.

Sir Charles Gives Views

In discussing the position of the committee Sir Charles Gordon outlined to the shareholders some of the difficulties which have confronted the committee. Pointing out that the bankers' committee represented the units which provide only about half of the tonnage capacity of the industry, he indicated that those outside have naturally taken advantage of any stabilizing efforts, after stressing how difficult a matter it was to effect stability for 3,000,000 tons of capacity and only 2,000,000 of consumption. Sir Charles stated that in all his experience he has never witnessed an industry so completely demoralized as the newsprint industry is at the present time.

In the absence of Ernest Rossiter, president, the meeting was handled by A. K. Cameron, a director, who in the course of his remarks to stockholders voiced the feeling that the affairs of the industry were at the present time at as low a point as appeared possible, with recovery dependent on an improvement in the general economic situation.

Insurance for Buyer and Seller

CIGARETTE BURNS STILL ALLOWED AS FIRE CLAIMS

Canada Not Planning to Follow Lead of U. S. Firms

DISCUSSED HERE

But C. F. U. A. Membership Unable to Agree, So Losses Still Being Paid

Lack of unanimity will probably prevent fire companies in Canada—for the time being at least—from following the footsteps of their U. S. contemporaries and refusing to pay insurers for cigarette claims.

Depression times plus women smokers are largely blamed for this growing thief of fire company profits. Nearly all companies complain bitterly about the $5, $10 or $50 claims that pour in by the score to pay the cost of a bridge table, a carpet, a chesterfield or living room table. Many companies think they aren't really liable. Most pay to maintain customer goodwill.

Banned in U. S. A.

In the United States the thing has become so serious that the National Board of Fire Underwriters recently sent the following notice to their membership.

"The executive committee of the National Board of Fire Underwriters believes that the time has arrived when the companies should instruct their representatives to refuse recognition of such claims on the ground that such payment constitutes a gratuity on the part of those who pay them that is neither justified nor compatible with the provisions of the fire insurance contract."

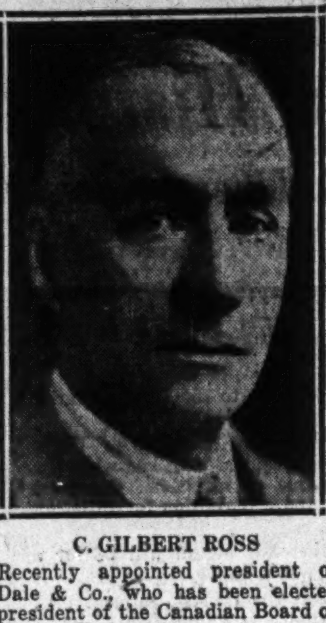
Some idea of the growing significance of cigarette fires is indicated by figures published annually by J. Grove Smith, Dominion Fire Commissioner. In 1931, the last year for which figures are available, no less than one quarter of all fires reported in Canada were attributed to "smokers' carelessness." Looked at another way, of the 35,000 fires reported in which the individual loss was less than $1,000, almost one quarter were reported as having arisen from discarded cigarette and cigar ends. More than 4,000 insurance claims of from $50 to $300 were made as a result of damage to upholstered furniture and carpets from lighted smoking materials laid or thrown thereon. The last two years are reported to have shown a substantial increase in these figures particularly as regard insurance claims are concerned.

Legal View Uncertain

From a legal point of view opinion seems to be divided as to the exact liability of a fire insurance company in the event of a "char" fire as cigarette claims are called. Fire policies pay losses where there is "direct loss or damage by fire," but the legal responsibility hinges on the definition of the word "fire." In perhaps the majority, if not all cigarette fires, the article damaged is merely charred or scorched and there is probably no actual flame or fire.

The vice-president of one of the leading American fire companies in discussing this question, recently made the point that cigarette burns were originally paid as "nuisance" claims. He maintained that the theory of fire insurance protection did not contemplate the payment of such losses. Now, however, they have reached such proportions that executives of leading companies are of the opinion that either such claims must be denied in toto or a charge must be made for policy coverage to include such losses.

Heads Marine Body



C. GILBERT ROSS

Recently appointed president of Dale & Co., who has been elected president of the Canadian Board of Marine Underwriters.

Thus, it is pointed out, fire insurance companies do not consider that the cigarette burn should be a legitimate claim under a fire policy, and this point of view is said to be confirmed (in the U. S.) by the best of insurance experts who say that the intent and purpose of fire insurance is to provide financial protection against total or partial destruction of property, in other words, serious losses.

Only two solutions of the problem present themselves in the American view. If cigarette burn claims are to be recognized, the rates for fire insurance generally will have to be increased sufficiently to meet the drain these losses occasion to the companies. The only other way out would be to incorporate in all fire policies a clause specifically excluding cigarette burn losses. In the latter case, because of possible mis-interpretations, it might be found necessary to write fire policies with a deductible clause.

C. F. U. A. Didn't Agree

Fire companies in Canada, The Financial Post learns, tackled this problem a few months ago at the instigation of one of the Montreal members of the Canadian Fire Underwriters' Association. Many executives were conscious of the losses being paid but no unanimity of opinion prevailed as to how the problem could be tackled. Without a united front on the matter, individual companies were loath to start the ball rolling. Some opposed any type of deductible clause. Others did not feel the matter warranted specific exclusion of the cigarette burn.

What will happen in Canada will probably depend on the seriousness of the situation in the next year or two. Fire companies in Canada are notoriously conservative in taking radical steps such as this which might involve an entire rewording of the policy form. They will probably decide it is better to continue paying these losses than attempt to whip the long list of companies writing in this field into presenting a united front.

Certainly the cigarette burn is an active problem at the present time in the United States as may be seen from the attached editorial reference in the current issue of the National Fire Protection Association quarterly.

"Surely no responsible person can object to the insurance companies seeking relief from the claims that are pouring in on them constantly for damages caused by cigarettes to tablecloths, chairs, carpets, upholstered furniture, rugs, table tops, etc. The careless smoker leaves a lighted cigarette on a table, and as a consequence there is usually a hole burned because of scorching.

"Companies are constantly being importuned to pay for the refinishing of furniture of one kind or another damaged in this way. Cigarettes thrown or dropped upon carpets, rugs or upholstered furniture will cause almost immediate damage. Practically all of these claims are sent in even though fire does not ensue. It is upon this point that the companies feel justified in specifically excluding liability.

"Those who have given special study to this situation say that cigarette losses have become especially serious in recent years since smoking among women has been so widespread.

"The figures of the Cook County Loss Bureau relating to cigarette losses in 1932 are interesting, especially when it is considered that they represent only the companies belonging to the bureau, and that the bureau's figures are only on Cook County claims. Altogether there were 6,205 cigarette losses, amounting to $134,857. Of these 4,768 were for $25 or less; 1,067 were for from $25 to $50; 288 were for from $50 to $100; 82 were from $100 to $200. In January of this year the Cook County Loss Adjustment Bureau reported 534 cigarette losses amounting to $11,083. These figures taken together with those of 1932 indicate clearly that losses of this nature are being recorded by the bureau at the rate of over 500 a month.

EXCELSIOR LIFE ADOPTS NEW PLAN FOR DISABILITY

Provisions Follow Modified Plan Used by Six Life Firms

Announcement is made by the Excelsior Life Insurance Co. that effective May 1, the company has adopted new monthly income disability provisions. The new provisions are almost identical with those introduced by a group of six Canadian companies as at July 1 last year.

It will be remembered that early in 1932 the majority of Canadian companies followed the lead of U. S. firms and abolished the generous disability provisions which had previously existed. This move followed an increase of rates (in Canada) amounting to approximately 25 per cent which went into effect in the middle of 1930. A few Canadian companies maintained, however, that some form of disability should and could profitably be written and as a result a modified provision was introduced by six leading Canadian firms namely the London, Confederation, North American, Crown and Dominion.

Carried Old Provisions

Excelsior Life was originally interested in this move but later decided to continue writing the old disability provisions. The new provisions announced by the company are as follows:

"1. Disability must occur prior to the anniversary of the policy nearest age 55 in the case of men and age 50 in the case of women.

"2. There are no benefits during the first six months of continuous total disability. No premiums are waived during this period nor is any income payable.

"3. The monthly income payable in the event of total disability existing for at least six months commences at $10 per $1,000 of insurance payable for a maximum period of fifty months, and then $5 for a further maximum period of one hundred months, making a maximum of $1,000 in income payments.

"The income described above terminates in the event of cessation of total disability, but in the event of recurrence and continuance of total disability the remainder of the income payments may be paid up to a maximum of 150 payments totalling $1,000 for each $1,000 of insurance.

"4. One month after the 150th payment of monthly income if the assured is still totally disabled and if the policy is still in force, the policy will mature as an endowment for its face value, if it is payable in one sum."

PROTECTION

The Independent Order of Foresters is a fraternal benefit society operating under a lodge system and existing for the purpose of affording to men and women the completest protection at the minimum cost. This protection covers practically every phase of family life. In addition to the protection afforded through its Insurance and Sick Benefit Departments, a number of practical fraternal benefits are available to its members.

Assets — $49,000,000.00

Independent Order of Foresters

FRANK E. HAND, Supreme Chief Ranger

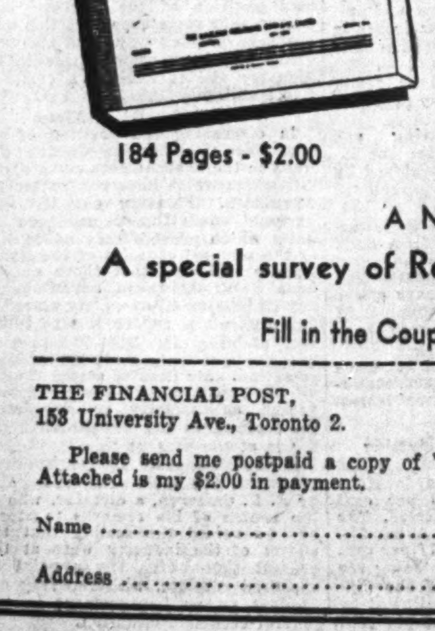
HEAD OFFICE: TORONTO, CAN.

Licenses Issued

Insurance Co. of North America has received a certificate of registry authorizing it to transact personal property insurance in addition to the classes for which it is already registered.

The Alliance Insurance Co. of Philadelphia has been granted a certificate of registry authorizing it to transact personal property insurance in addition to the classes for which it is already registered.

"You will find it in the Business Year Book"



184 Pages - $2.00

The Financial Post Business Year Book new 1933 edition, is of particular interest and value to business men who want Facts and not guesses when searching for new markets for their goods and for accurate and up-to-date economic data about Canadian business activities.

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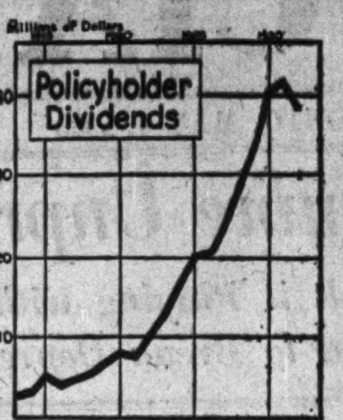
Twenty-year Record



Dividend payments by life insurance companies to policyholders have skyrocketed in the decade 1920-30. Now they are coming down. The chart shows what 1932 payments looked like in comparison with previous years. The decline from the 1931 peak was about 8 per cent.

NEW COMPANY TAKES BUSINESS NATIONAL SURETY

Frozen Assets in U. S. A. Cause Change—Large Volume Here

National Surety Corporation is the name of the new company which has officially taken over the business of the National Surety Co. in Canada and a considerable portion of the company's business in the United States, according to official information given out from New York and Montreal this week. The change follows the announcement over the week-end from George S. Van Schaick, superintendent of insurance at New York, that this big concern, one of the largest of its kind in the United States, has been taken over for reorganization by the New York State insurance department. Frozen assets of $32,000,000 are cited as the reason, according to the New York Times. Liabilities were stated as approximately $27,000,000.

The new company will have assets of $11,000,000 and started business May 1 with a capital of $1,000,000 and a surplus of $3,000,000 provided from the liquid assets of the old company. Officials will be the same as for the old company. The guaranteed mortgage and depositary bond business of the old company in the United States will be handled through a separate organization.

Canadian Business

As far as the company's Canadian business is concerned, the new company will find assets in Canada on deposit with the Receiver General at Ottawa and solely for the protection of Canadian policyholders of $442,000. Premium volume written in Canada by the company in 1932 totalled over $215,000 and included $32,800 of net forgery premiums with a loss ratio of 16.6 per cent; $23,124 of fraud insurance with a loss ratio of 30.5 per cent; $74,326 of fidelity premium income with a loss ratio of 53.2 per cent; $38,302 of surety premiums with a loss ratio of 49.7 per cent; and burglary premiums of $46,687 and a loss ratio of 15.2 per cent. The company operates independently in Canada and its chief agent for the Dominion is C. H. Allen, of Montreal.

The official statement on the company's affairs issued by Superintendent Van Schaick says in part:

"A comprehensive plan of reorganization of the National Surety Company was effectuated April 29 by the Superintendent of Insurance pursuant to the authority of an order entered in the Supreme Court of New York. A new surety corporation, the National Surety Corporation, has been organized under the laws of New York and commences business May 1, having taken over the goodwill, staff, agency plant, equipment and supplies of the old company, and having assumed liability for future and unreported losses on a considerable portion of the old company's outstanding business. It will engage immediately in the transaction of new business.

"Provision also is made in the rehabilitation plan for immediate steps to be taken to handle through a separate organization the guaranteed mortgage business of the old company, and the assets appurtenant thereto, with the remaining assets to be administered by the Superintendent of Insurance or by a corporation to be formed for that purpose for the benefit of other creditors and policy holders of the old company. In the interim the stock of the new National Surety Corporation is held by the Superintendent of Insurance for the benefit of all creditors and policy holders of the National Surety Company.

"Although certain assets of the old company have been turned over to the new corporation to provide it with necessary capital, surplus and reserves, it must be remembered that the stock of the new company representing these assets is held by the Superintendent for them. Instead of sacrificing these assets in forced liquidation at this time to the detriment of all concerned, the reorganization plan utilizes them in a manner which should enhance their value coincident with the successful operation of the new National Surety Corporation."

Ontario Fire Losses Below Previous Year

Fire losses in Ontario in March, at $1,039,792, were slightly lower than in March a year ago although the number of fires was greater. There were 1,548 fires reported during the month as compared with 1,430 in March, 1932, making a total of 4,374 fires for the first three months of the year compared with 3,857 in the same period of 1932.

Of the aggregate loss in March of $1,039,792 more than 90 per cent, or $913,085, was covered by insurance while in March a year ago $1,010,448 of the $1,157,091 loss was so covered. In the three months this year losses have amounted to $3,017,052 and insurance coverage to $2,712,604 as compared with $3,246,500 and $2,975,053 in the corresponding period of 1932.

Large fires in March included a $95,696 loss at the W. J. Greey machine shop in Toronto, a $76,679 loss at the W. J. Thompson store in Sault Ste. Marie and a $49,930 loss at Gilpin Bros. saw and planing mill at Wiarton.

Brown Corp. Develops New Roofing Material

From Our Own Correspondent

MONTREAL. — Brown Corp. with headquarters in Portland, Maine, and operating a plant at La Tuque, P.Q., has developed a new product as a base for asphalt roofing. This product is made of cellulose and will take the place of felt and other materials which have been used in the manufacture of ready roofing.

Dividends to Policyholders Off 8 per cent in 1932

Dividends paid to policyholders of life insurance companies in Canada during 1932 totalled approximately $38,500,000 according to figures given The Financial Post this week by G. D. Finlayson, federal superintendent of insurance.

This is a drop of approximately 8 per cent from the all-time peak of $41,896,000 established in 1931.

Reference to the chart reproduced on this page indicates the amazing increase in policyholder dividends which occurred in the past five years. Thus in 1926 the amount of annual dividend distribution was just half what it was in 1931 while in 1921 total dividend payments were less than $8,000,000. In the 54 years from 1877 to 1931 inclusive, some $332,000,000 was paid out by life companies licensed under the federal insurance department in dividends to policyholders and of this total no less than 50 per cent had been paid out in the last five years.

Now 25 Cents on Dollar

Looked at another way, policyholder dividends in recent years have amounted to between 20 and 25 cents of every dollar paid to policyholders. Prior to the war only from 10 to 15 cents of moneys distributed to policyholders was paid out in that way.

Just what the long-term future holds in the way of policyholder distributions by way of dividends is problematical. The prospect of lower interest earnings and the removal of the extraordinary competitive conditions which forced dividends at a high pace in the past five years would support the belief that not for many years will the high mark of 1931 be reached or surpassed.

For the immediate future there is little question that dividends in 1933 and probably in 1934 will be progressively lower, for many leading companies have made their important reductions only as affecting 1933 business. Some of these changes take effect only during the year so that their full effect will not be noticed in the federal returns until the 1934 figures. Then too some companies are still paying dividends at the old scale of two years ago. Perhaps they will be able to maintain these—perhaps not. Much will depend on the ultimate level at which property and security values "stabilize" and the trend of interest rates in the next year or two.

Other Factors Important

Another factor which will reduce the annual dividend distribution in coming years is the adoption of plans such as were announced early in the year by the Canada Life. This company reduced sharply the amount of annual dividend payable in 1933 and to offset this reduction, introduced what is known as "maturity" and "persistency" dividends the former to be paid when the policy matures and the latter to be paid to policies which remain 25 or more years in force. Such plans will tend to reduce sharply the volume of premium distribution normally made annually by this company.

Another factor of importance is the growing popularity of non-participating insurance. Figures compiled by The Financial Post recently indicated that in 1932 the volume of non-par business written by leading Canadian companies jumped from 10 per cent to between 25 to 30 per cent of new ordinary business. To a considerable degree this is a temporary trend due to depression factors, but it is more than probable that this form of policy—or at least a policy with a very small margin of "spread" for dividend distribution, will increase in popularity as compared with the 1925-1930 period.

The following figures published in the annual report of the federal superintendent of insurance show the growth of policy dividend distribution in the past 10 years.

Policyholder Dividend Distribution in Canada
(All Companies)

1932	$38,500,000
1931	41,896,550
1930	40,273,894
1929	33,423,986
1928	28,647,398
1927	24,059,930
1926	20,770,288
1925	20,530,801
1924	16,771,876
1923	13,274,786

New Books

SAY TAX LIMIT NOW ATTAINED BY BRITISHERS

Third Volume of "British Budgets" Covers Recent Years

What a record of economic development and social change is contained in the history of British budgets prepared so painstakingly and earnestly by the late Sir Bernard Mallet and C. Oswald George!

In 1913, the first of a series of volumes covering British budgets from 1887 to the present day appeared. It was written by Bernard Mallet. The second volume covering the budgets from 1914 to 1921, in which the first author was assisted by Mr. George, appeared in 1929. Now there has appeared the third volume covering the budgets from 1921 to date.

The volumes present a historical record that is of the utmost value to every student of public finance the world over. In connection with each budget, copious extracts are made from the speech of the Chancellor of the Exchequer, figures are given of the income and expenditures of the government, of the position of the public debt, of the estimates for the coming year, the results of comparisons are made of old taxes and the plans for new ones, the criticisms of the party in the opposition and the highlights of the contributions to the debate by the outstanding governmental and opposition leaders are given. In addition, each volume contains comparative tables of Imperial revenue, expenditure, etc. that are most useful.

The preface to the third edition is significant although the authors have hesitated to go as far in drawing conclusions from their studies as they might have been justified in doing. They say that the events of the last three years, if they have not furnished a conclusive answer to the question of whether or not the existing scale of taxation could be increased, have at least made apparent to the world the results of the long continued expansion of governmental expenditure. They have brought into sharp relief the two schools of thought which will doubtless continue to sway the fiscal and economic destinies of Britain as of other countries. First, there is that school which holds that industrial progress and the maintenance of an adequate standard of living depend on limitation of expenditure and taxation. Secondly, there is that other school which rests all its hopes of continued social progress, an increasing public expenditure upon the social services and a further extension of the functions of the state. The authors express the opinion that the future of British public finance and much besides depend upon the possibility of continuing to find some practical compromise between the two seemingly incompatible ideals of capitalism and socialism. But they do find one definite conclusion which cannot be disputed by either party, the extreme difficulty under existing conditions of any further increase in the burden of taxation without a fatal reaction in the industrial production of the nation upon which the national income and the revenue derived from it must ultimately depend.

The untimely death of Sir Bernard Mallet, the creator of this series and the senior author of the third volume took place shortly before this edition came from the press but it is to be hoped that Mr. George will from time to time continue the series.

"British Budgets third series, 1921-22 to 1932-33" is published by Macmillan and Co. of Canada, Toronto, at $9.

Insurance Inklings

Fire Losses in the United States in 1932 amounted to $442,143,311, a decrease of slightly more than 2 per cent from the previous year. Fire losses in Canada in 1932 were $38,955,565 compared with $42,373,284, a decrease of 8 per cent.

C. W. BROWN has been appointed district manager in Hamilton, Ont., for the Occidental Life Assurance Co.

Monarch Life Assurance Co.'s Ontario agents held their first quarterly conference at London, Ont., on April 21. A. B. Johnston, provincial manager was in charge.

New Insurance Issued Down 23 Per Cent in Sask.

New paid-for insurance in the province of Saskatchewan during 1932 amounted to $29,395,789 compared with $38,193,722 in the previous year, a decrease of 23 per cent. This percentage compared with a decrease of 17.4 per cent in new ordinary business issued in all Canada compared with 1931.

Insurance in force at the end of 1932 at $374,752,818 shows a sharp decline from the $396,108,511 recorded at the close of the previous year and is approximately $50,000,000 less than the total in force at the end of 1930. Surrenders and lapses amounting to $68,236,532 in 1932 and $78,141,913 in 1931 are responsible for this decline.

Bonus additions and revivals was one of the few classifications to be maintained at the level of 1931, the total in each year being approximately $14,800,000.

Record Sugar Beet Crop

The largest crop of sugar beets yet harvested in Alberta resulted from the 1932 season in the growing of this special crop in the southern part of the province. An Alberta Government bulletin points out that final estimates, given by the sugar factory at Raymond, Alta. Canadian Sugar Factories, Ltd.) show that 150,000 tons of beets were harvested from the contracted acreage, and the sugar run will total 45,000,000 pounds.

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SUN LIFE ASSURANCE COMPANY OF CANADA
HEAD OFFICE-MONTREAL

Fewer Failures This Year But Liabilities Are Higher

Assignments under the Bankruptcy and Winding Up Acts in February numbered 214 having liabilities of $3,947,202 compared with 221 failures and liabilities of $3,650,728 in February, 1932. Failures in January numbered 216 and liabilities in that month amounted to $4,049,929.

Trading establishments furnished the largest number of failures in February, 117 assigning compared with 121 in January and 104 in February a year ago. Of the 117 failures in February, 20 were general stores, 13 groceries, 7 confectioneries, 7 fish and meat, 5 boots and shoes, 9 dry goods, 10 clothing, 3 furniture, 6 hardware and 5 drugs and chemicals.

Failures of other branches of business were: 37 manufacturing establishments; 11 agriculturalists; 23 service establishments and 6 miscellaneous, 3 of which were construction.

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Total Assets of all Branches Exceed - - - 1283 Million Dollars
Claims Paid Exceed - - - - 1960 Million Dollars

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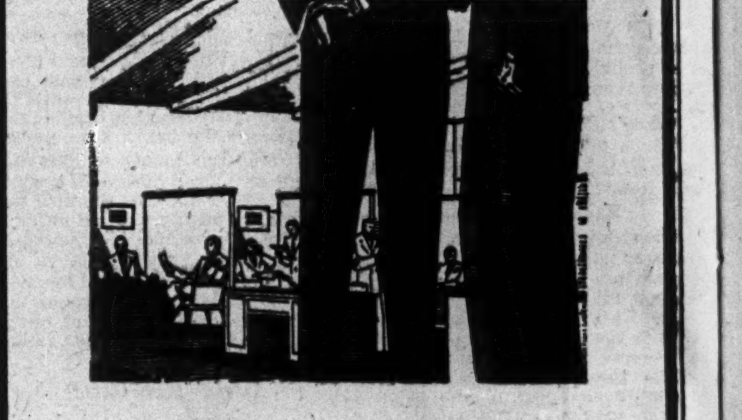

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Your Investments

Letters from subscribers to The Financial Post, who desire information bearing on their Canadian investments, will be answered by an early mail, and questions of general interest will be answered on this page. We cannot extend this service to non-subscribers nor do we answer enquiries relating to American stocks or foreign securities generally. A three-cent stamp or stamped envelope must be enclosed. Write mining and insurance enquiries on sheets separate from other investment enquiries. No answers can be given by telephone or telegram. We do not select lists of securities but will supply current facts about securities in a list you may supply. Nor do we attempt to make any forecasts of the probable trend of any security. The service, in other words, is one of fact and not of opinion.

Information Wanted From Corporations

New York Stock Exchange Brings Strong Pressure on Corporation By Publicity—Canadian Stock Exchanges Do Not Use This Lever—Much Needed Changes

Inadequate information as to earnings and financial position of many Canadian companies is being given shareholders, investors, stock exchanges and the general public. Supineness of shareholders, in refraining from asking for clear explanations concerning obscure items in annual financial statements, may be partly responsible but the difficulty in the way of many shareholders attending annual meetings of a large corporation makes it of growing public importance that annual reports should fully reflect earnings and position of companies.

Excellent leadership is being given by leading companies which have gone farther than they are required by company acts of various provinces and by listing requirements of the principal Canadian stock exchanges. Stock exchange committees also have done a considerable amount of spade-work in trying to induce company executives to loosen up with adequate information. Endeavors to induce companies with listed securities to inaugurate quarterly statements have been so far unavailing with most industrial companies, however.

Should Come Into Open

Unfortunately for the public all these efforts are made in secret. Stock exchange committees have not wished to embarrass companies by making it known that their statements were not considered illuminating, but action recently taken by the New York Stock Exchange in the case of Allied Chemical & Dye Corp. raises the important question as to whether or not radical improvement would not be affected by giving publicity to cases where companies have long and obstinately resisted demands that their financial statements be couched so as to inform rather than to deceive.

Here is a corporation showing $400,000,000 assets in its financial statement for 1932, a company which admittedly made huge profits after it was formed in 1920 by the merger of five leading chemical companies controlled by British and Belgian interests but a company which has consistently taken the stand that fuller disclosure of its affairs would neither be in the interests of the company nor of its shareholders. The chemical industry has never been noted for its willingness to talk about its business to the public but Allied has proved the most secretive of all. Annual reports have told little and officers and directors less. The common stock as a "mystery" stock in the boom days drew a large following. Investment trusts included it in their portfolios and there is therefore a considerable interest in knowing just what is happening.

Public Asked to Judge

A large portion of the stock is reported to be closely held, and Orlando F. Weber, chairman and president, is one of the largest shareholders. The recent appearance of the 1932 financial statement, without any of the changes suggested by the New York Stock Exchange committee in three years of correspondence, decided the committee to make public the correspondence and to report the whole affair to the governors of the New York Stock Exchange for action. The company is invited to be represented at a meeting of the governors on May 3.

The only disciplinary action apparently in the power of the exchange is to strike the securities of the company from the list of stocks traded on the board. Either in Canada or the United States such action by an exchange is open to the objection that it would tend to injure small stockholders by lowering the marketability of their shares. Publication of correspondence, however is in reality a powerful appeal to public opinion. The results will be watched with great interest.

Most Companies Publicly Owned

In Canada and the United States anything which leads to more complete disclosure of a company's affairs to shareholders must be considered of the greatest value and importance. In both countries business tends to come more and more under corporations whose stocks are sold on public markets. In the United States it is estimated that more than 90 per cent of that country's mining, more than 90 per cent of its manufacturing and more than 30 per cent of its merchandising are handled by enterprises organized as corporations. In Canada a competent estimate would vary from these percentages but the general situation would be nevertheless much the same.

As shareholders living in widely separated communities have become interested in the same companies, there is a tendency to a widening rift between owners and management. The only adequate way of meeting the situation from the standpoint of the shareholder is the giving of more complete information about the affairs of the company. The objections of companies like Allied Chemical to meet demands for more information is strengthening the case of those who ask for legislation to cover the matter.

Minimum Income Facts Asked

The following form of consolidated income account is interesting in Canada as showing the minimum information which the New York Stock Exchange informed Allied Chemical it believed a company should give its shareholders:

Requested Form of Consolidated Income Account

Gross operating profit ....

Less:
General, administrative and selling expenses ....
Net operating profit before depreciation, obsolescence and Federal taxes ....

Less:
Depreciation and obsolescence... ......

Net operating profit before Federal taxes ....
Dividends and interest received...... ......
Profits (or losses) from sale of securities (if any) ......
Other income:
(State separately any items of over $500,000, terming the remainder miscellaneous) ......

Total of foregoing ......
Less: Other charges (if any) ......

Net income before Federal income taxes ......
Federal income taxes ......

Net income ......

"A Masterpiece of Elusiveness

The committee also asked the company for additional information on the following two items: First, the basis of value for property account; second, details of marketable securities carried by the company. One shareholder described the annual statement as "a masterpiece of elusiveness."

The committee referred to the fact that the company showed its holdings at the end of 1930 of United States Government and other marketable securities to be $92,982,868, while the chairman said market values were much higher. The item was shown at $94,638,155 at the end of 1931 but by that time the market value was stated to be less than cost. This item still stood at $92,404,341 at the end of 1932 but was much less than cost. In 1931 the company transferred $40,000,000 from surplus to contingency reserve "for the purpose of amply protecting the company's operations and assets against future contingencies."

A Misleading Practice

The New York Exchange wanted to know what market value of marketable securities and inventories were. It could not get the information but an enquiring shareholder at the annual meeting was told that marketable securities were at market values $28,000,000 less than shown. The exchange thinks that to show current assets at $150,654,699 when there should be a deduction of $28,000,000 for depreciation in securities is misleading even though there is a reserve. That reserve is not a current liability, and it wants also to know if the reserve contains as well an offsetting item against any other current asset. It is urged as well that United States Government securities should be shown separately as an important means of indicating to shareholders how strong this item is. The corporation also shows in its balance sheet one surplus and then a "further surplus" without stating whether the latter is earned surplus or not. That, in the opinion of the exchange committee, is meaningless to shareholders.

The exchange is also on solid ground when it urges that earnings should be subdivided so that a shareholder could know how much of income came from operations, how much from interest and dividends, and from non-recurring items. Non-recurring expense items of importance should also be stated.

Principle Involved

The principle on which this interference with the company's accounting policy is based, is stated as follows in a letter to the company:

"It is a generally accepted rule that no asset should be considered as a current asset at a figure exceeding its current value to a going concern. Your accounts for 1930 were in conformity with this rule, the securities being carried at cost and market value being stated to be in excess of cost. This rule is recognized in your treatment of inventories which are stated in your report to be valued at cost or market whichever is lower. If your treatment is proper in the treatment of inventories, it is even more clearly called for in the case of marketable securities."

Enquiries

Canadian Bronze

Please tell me your opinion of the outlook for Canadian Bronze Co. preferred stock. I hold some of the shares and have wondered whether I should dispose of them.

Canadian Bronze Co. supplies the greater part of both railways' requirements in bearings, bushings, etc. Owing to the decrease in railroad activity earnings have declined and dividends on the common stock have been cut. The preferred stock, however, is the company's senior security in the hands of the public and the favorable position which the company occupies in the industry it serves should enable it to reflect any improvement in traffic.

Goodyear Tire

Please tell me the present situation and prospects of Goodyear Tire of Canada. I hold some preferred stock.

Goodyear Tire and Rubber Company has a very strong financial situation, and has had an outstanding record of progress since it began back in 1910. In the last year or two the much lower level of business, the falling away in motor car sales and therefore the drop in demand for tires have had their effects on the business of this company but because of its strong financial situation, of its dealer arrangements made across Canada and its foreign sales the company has made a better stand against the depression than most of them.

However, the depression still continues; tire and rubber business is yet on the wane; and earnings have kept pace. The preferred dividends, however, apparently are still well guarded and will probably continue unless the period of bad business is inordinately prolonged. This dividend was earned many times over in 1932.

Alberta Grain

Has there been any improvement in the position of Alberta Pacific Grain Co.? What are the prospects for the preferred; is it worth holding on to?

Some improvement in operations of the grain handling companies is expected during the current crop year owing to the larger volume of grain passing through the elevators. Alberta Pacific Grain Co. has placed its house in order following evidences of mismanagement a few years ago, and over a period of years it may be expected that some progress will be made.

Moore Corp. Bears Up

Living here in England, I cannot follow at close range movements of Canadian stocks. Some years ago I bought some Moore Corp. preferred stock. How is the company bearing up under the hard times?

Moore Corporation's productive activity has borne almost direct relation to the activity of business as a whole.

In the last few years, however, the directorate and management have displayed considerable foresight in reducing all reduceable expenses such as salaries and wages and cost of materials with direct relation to the lowering level of business and the reduction in prices made necessary to secure business.

The company apparently has had its share of available business, has maintained its financial strength and is in excellent shape to take advantage of any improvement in business activity.

Its subsidiary companies deal in products which are naturally required in greater volume as business advances. Every business transaction requires its appropriate entry and the usual forms for buyer and seller.

Moore Corporation has as complete an outfit for supplying business needs in this respect as any company on this continent. The position of the preferred stock, therefore, can be considered encouraging.

St. Lawrence Flour

Among my holdings are some preferred shares of St. Lawrence Flour Mills. I live in England and am not in touch with this company's affairs. Is it doing well?

St. Lawrence Flour Mills, though a relatively small organization in the industry, has recently done better than most of the larger milling companies, and, as you probably know, instituted dividends on its common stock about a year ago. The company is largely dependent on the domestic market and consequently has not suffered from the difficulties encountered by exporters. It has also avoided establishing baking subsidiaries which have been the cause of much of the difficulty of the larger companies.

Canada Cement

A client of mine holds some preferred stock of Canada Cement Co. What is the outlook for this company? Is there a chance that dividends will be resumed in the near future?

The decline in construction has affected Canada Cement Co. and until construction shows some improvement, earnings are likely to remain at a low level. There has been no sign of increased constructional activity to date and an early resumption of preferred dividends is not looked for.

Consolidated Paper

Is Consolidated Paper Corp. making progress? I hold some of the bonds and would like to know what their prospects are?

Consolidated Paper Corp. is having a hard time and the recent change in newsprint prices will not improve its position. Outlook for its income bonds is not impressive; it might be that another reorganization will have to be undertaken.

Winnipeg Electric

Is there a chance that preferred dividends will be resumed by Winnipeg Electric Co. within the next year or two? I see that the shares are currently quoted at a very low level.

There has been no improvement in the situation surrounding Winnipeg Electric Co., and an early resumption of dividends on the preferred stock appears to be remote. The company's tramways have lost money heavily in recent years while Winnipeg Electric's guarantee on the bonds of its subsidiary Northwestern Power Co. is a source of worry. As you know, it was not able to live up to this guarantee when Northwestern Power defaulted on its bond interest.

Abitibi Preferred

I am a Scotsman who in 1929 when in Canada bought some Abitibi seven per cent preferred stock. Dividends were dropped and I understand the paper business is in a bad way. What are the chances for my stock?

Abitibi Power and Paper Co. is now operating under a receivership and an order in bankruptcy has also been granted.

Since your letter was written announcement of further reduction in newsprint prices has been made and this, together with a very low demand for newsprint, means that the chances of the company for getting early out of the receivership are waning.

The receiver is G. T. Clarkson, a chartered accountant who has an excellent record for dealing with companies in such case, but the company has overhanging it many contingent guarantees which in the last year have come home to roost.

There are outstanding nearly $50,000,000 of 5 per cent bonds which come before the preferred stock. The chances of the preferred stock, therefore, of participating in earnings are getting less with every month.

A marked revival in demand for newsprint, especially if accompanied by higher prices, might change the situation quickly, but as things stand the stocks are worth very little.

Burrard Drydock

We would like any information you can give as to the Burrard Drydock Co. 5 per cent first mortgage bonds, due 1967.

The 5 per cent first mortgage bonds due 1967 of Burrard Drydock Co. are part of a serial issue which is directly subsidized by the Dominion of Canada and in the opinion of E. G. Long, K.C., the subsidy must be paid by the Dominion even if the company goes out of business. The Dominion has agreed with Burrard Drydock Co. and Royal Trust Co. to pay semi-annually an amount sufficient to meet interest and sinking fund payments due on the bonds.

These bonds were originally issued by A. E. Ames & Co., in 1924 to the amount of $1,800,000, the issue being made in four series. At the present time, bonds maturing from 1934 to 1959 are being offered by a Toronto dealer, to yield 5.1 per cent. While the issue appears to be well secured there is not an active market for the bonds.

Burns & Co.

I own 60 preferred shares of Burns & Co. and I am told that if the company does not earn its bond interest this year the bondholders will place the company in receivership. I have all my eggs in this one basket and would like to know just where I stand.

Burns & Co. made some progress in 1932 in face of declining commodity prices. But even if commodity prices strengthen materially in the current year, it does not appear likely that the company can pay bond interest in arrears by Dec. 1, 1933.

This being the case everything depends upon the bondholders' committee which has wide powers and which can place the company in receivership. It is by no means certain that the committee would take this action and while some reorganization may be put through which would write down the investment of the preferred shareholders in the company, it is hardly likely that the preferred shareholders will be closed out altogether. In any event, it may take a long time before preferred shareholders get any return on their investment since the bondholders naturally rank first.

Famous Players

We have a young man in this city who has told me on three different occasions that the Famous Players Canadian Corporation is in bankruptcy. He claims to have a copy of The Financial Post to prove it. On each occasion I have denied that this company is in bankruptcy.

I wish to settle this matter once and for all and I am going to ask your kindness, in advising me, if your paper ever listed The Famous Players Canadian Corporation as being in bankruptcy.

The young man to whom you refer is in error. The Financial Post has never said that Famous Players Canadian Corporation is in bankruptcy, but it has had a number of articles with regard to its parent company, Paramount Publix, which is in bankruptcy and operating under a receivership.

The Financial Post has carried the statements of officials of Famous Players to the effect that the bankruptcy of the parent company does not affect them. We did criticize the terms and the methods under which exchange of Famous Players Canadian Corp. stock for Publix Corp. stock in 1930 was effected. We think the events have proved our criticism just.

Far from being in bankruptcy, Famous Players Canadian Corp. met its bond interest on April 1 and is therefore safe on that score for another six months. The company, we understand, has been trying to get its expenses lower and has been very successful in this regard. Unfortunately, attendance at theatres has not been good in recent months except for exceptional plays. The marked improvement in plays has to a certain extent made up for this but the chances of the company will be greatly improved when business becomes more active. The summer season is always a trying one in this business.

Lake Scugog Fur Farms

I put money a couple of years ago into Lake Scugog Fur Farms Limited, but have not heard from it recently. Their farm was, I think, near Port Perry. How is the company getting along?

A recent issue of the Ontario Gazette stated that the provincial secretary had accepted the surrender of the charter of Lake Scugog Fur Farms, Limited, as of March 28, 1933. The company had been incorporated by letters patent dated May 22, 1930. These have now been cancelled.

British Columbia Bonds

I should like some information regarding the safety and marketability of British Columbia bonds. Are there any other provincial bonds which would give as high an income?

Bonds of the province of British Columbia lack a ready market at the present time and this is also the case with bonds of the Canadian prairie provinces. This is due in large part to the fact that the Western provinces have been hard hit by low commodity prices, particularly low prices on wheat and this situation has affected the provincial finances. British Columbia has had a long series of deficits but the last two provincial budgets have taken cognizance of the difficult situation of the province and there is reason to believe that the sharp reduction in expenditures effected and the increases in taxation will enable the province to show substantial improvement in the next few years. In 1932 a committee of business men investigated the financial situation of the province and brought in a number of recommendations which brought financial conditions in the province into the public eye. While all these recommendations may not be carried out, they are at least evidence that the taxpayers in the province are seeking to remedy present conditions.

A yield of over 6 per cent can be obtained on bonds of each of the four western provinces with Saskatchewan bonds giving the highest yield of around 6.7 per cent. Alberta and Manitoba bonds are showing a yield around 6½ per cent and British Columbia bonds selling to yield around 6.4 per cent. When, as and if the financial position of the western provinces improves and general business conditions again approach normal, the prices of western bonds may show some appreciation.

Dominion Tar

I hold some of the preferred shares of Dominion Tar and Chemical Co. Dividends have been deferred; do you think we can look for payments soon? What is the price of the preferred now?

Dominion Tar and Chemical Co. is the leading factor in the creosoting industry in Canada, though its activities are well diversified. Income from its creosoting division, however, has fallen sharply owing to restricted demand from the railways for ties and poles. Until this situation improves, earnings of Dominion Tar are likely to remain at a fairly low level. Consequently prospects for an early resumption of preferred dividends are not encouraging. The stock is currently quoted around 10.

Investors Syndicate

I recently signed a contract with the Investors Syndicate and agreed to deposit a sum of money monthly with them on their fifteen-year saving scheme. Since the bank situation in the United States, I have had considerable doubt about the wisdom of banking any more funds with this corporation.

Can you advise me as to whether or not my money is as secure as it would be with one of the larger insurance companies?

So far as the banking situation in the United States is concerned, we are informed that it has had no effect on the situation of Investors Syndicate. The uncertain position of home mortgages seems, however, to be more a matter for study. Federal plans for forcing down interest rates might conceivably have a repercussion on the affairs of this and all other companies investing in such mortgages. If stable and prosperous conditions are thereby hastened in the end little harm would be done. The company has a very strong cash and government securities position.

The home mortgage situation is boiled down into one sentence in an article in "Nation's Business" for April on "The Crisis in Home Financing" by Morris Edwards of the staff of that periodical. He says, "Gearing $20,000,000,000 of home mortgages to new conditions, new sets of values and new mental attitudes of home owners is no picayune undertaking."

In the course of this same article he quotes encouraging opinions with reference to long term loans of from 12 to 15 years to home owners. A large part of Investors Syndicate mortgages would come under these long term loans. Of the $20,000,000,000 of home mortgages referred to, one-half are held by building and loan associations such as Investors Syndicate, one quarter by life insurance companies, one quarter by savings banks, mortgage loan companies and private lenders. One-half of the total is for short term loans up to three years and the remainder for terms ranging from 10 to 15 years.

If you have the last balance sheet of Investors Syndicate you will note that they have rather a large total of real estate for sale, somewhat more than the certificate reserve shows. Enquiries by The Financial Post bring information that the real estate is carrying itself, that arrears on mortgages are a small percentage of the whole and that the company has never had a stronger cash position.

Can. Mausoleums

Regarding the proposal offered to the holders of Canada Mausoleum Ltd. bonds, can you give us your views on what the position and prospects would be if the bondholders did not accept the deeds to their crypts, as the trustee and the company recommend?

Do you think there is a chance of the company resuming payment of the bond interest?

The proposal of Canada Mausoleum, Ltd., was, we understand, made to a number of individual bondholders rather than to bondholders as a whole. Bonds of the company are issued in $200 denomination and as security for each bond is pledged the title to a specific crypt in one of the company's several mausoleums. The sale value of these crypts is stated at $425 on the average although they range from $350 up to $1,000. Under the proposal made to the bondholders by the company the bondholder would take title to the crypt securing his bonds and would then be free to sell the crypt locally. The company has subsequently attempted to make an arrangement with bondholders who have taken title to their crypts providing that the company would sell the crypt for the bondholders at a discount of $110 from the selling price of $400. The net return to the bondholder in case of successful sale would be $225 on each $200 bond and the difference between the net return and the sale price of $290 would accrue to the company for selling expense and profit. We are informed by Mr. Trano, president of the company, that the sale of such crypts is being pushed at the present time. Since these crypts would be sold on an installment plan in most cases, the bondholders would not receive an immediate return but he would retain title to the crypt until such time as he received $225 on his $200 bond. We are informed that the option given Canada Mausoleum, Ltd., to sell the crypt of a bondholder does not prevent the bondholder from selling the crypt himself if he is able.

Under the terms of the trust deed securing the bonds the company is not permitted to sell a crypt pledged as security for bonds for less than $350. It would appear, therefore, that a bondholder who did not take title to his crypt would hold a subordinate position to those bondholders who had taken title since the crypt, taken over by bondholders, can be sold for $290 to the public whereas crypts still securing bonds cannot be sold for under $350.

According to Mr. Trano, it does not appear that the company will be in a position to pay bond interest for some time and bondholders cannot have their bonds redeemed until their crypt is sold and paid for. The company is not in a position to pay bond interest at the present time because collection of installments due on crypts purchased have been slow and probably the company has had difficulty in selling bonds on new mausoleums under construction during 1932 due to general conditions.

It would seem to be in the interests of the company in many cases to sell crypts owned by former bondholders so that such owners would not sell their crypts at substantially reduced prices, thereby competing with the company which must sell crypts at a fixed price under the terms of the trust deed.

The 5% Tax and Ownership Certificates

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Bank Chat on Current Topics

Banking 200 Years Ago

LONG hours and unnecessary questions from patrons have been the bane of bankers for a greater number of years than many might imagine. A teller recently complained to us that he rarely left the bank before six in the evening. A ledger keeper ventured the opinion that the bank could make a fine profit by charging a small sum for answers to questions; also that many of the questions would be eliminated.

Over 200 years ago the Bank of Hamburg was open for business intermittently from seven in the morning until five in the afternoon. They charged customers for opening accounts, entering deposits and asking questions. They also charged for services after regular hours, which were seven to ten a.m.

"A General Treatise of Monies and Exchanges" published in London 1707, and written by one styling himself simply "A. F.," gives some particulars of the operations of the Bank of Hamburg at that time. Following are some of the comments:

"The Bank of Hamburgh (tho' not so considerable as that of Amsterdam) is lookt upon to be one of the best and surest of Europe. Four of the most eminent citizens have the management of all the affairs thereof, and the whole body of the republick is answerable for all summs of money deposited in it; and the better to prevent any malversion of the officers, etc., the cash keepers are obliged to state and clear all the accompts twice a week.

"The accompts of the bank are kept in marks, stivers and deniers lubs (pence) . . .

"A person that has no accompt in the bank must pay 50 rixdollars (£13 to £15) of three marks each, for the opening of his accompt there, where none but the inhabitants of the city have the privilege to be receiv'd.

"For every summ enter'd in bank under 300 marks lubs (£1½ to £2) the party must pay two styvers lubs (3d.) for entering of it, and no sum under 100 marks lubs can be entered there. If there happens in any summ an odd fraction of deniers, if it be 9, 10, or 11, they write 1 stiver, if it be 7 or 8, they write but 6 deniers, and if it be under six they write nothing at all.

"The time of entering summs in the bank is from 7 to 10 in the morning, but it may likewise be done from 10 to 1 and from 3 to 5, paying 2 styvers lubs for every summ so enter'd.

"The time likewise for enquiring whether any sum be entered is from 7 to 10, but you may also be inform'd of that from 10 to 1 and from 3 to 5, paying as above two styvers lubs, upon, which consideration they are obliged to tell you not only one but several questions of that nature, but most considerable merchants agree to give them 20, 30 or 40 or more marks lubs (about 5s.) per ann. for any extraordinary trouble they give them at undue hours.

"The bank is usually shut from the last of December to the fifteenth of January, old stile."

* * *

OLD STILE" refers to the Julian calendar which was being replaced by the Gregorian, "New stile," calendar in Europe. The Gregorian calendar was 11 days later than the new. Thus, the Bank of Hamburg was closing from Dec. 20 to Jan. 4 "new stile."

Modern bankers at least do not have to trouble themselves with two dates on cheques, drafts, and promissory notes, as did bankers of those days.

Customers were apparently "short changed" on deposits of fractional amounts. The bank evidently preferred that customers should keep their small change in their pockets.

The term "lub" signifies a silver penny. The name was derived from that of the city of Lubeck where the coins were struck.

Staff Changes

The Bank of Nova Scotia announces the following changes in staff appointments:

W. W. MITCHELL, formerly manager at Cochrane, Ont., to be manager at Broadview and Gerrard, Toronto.

H. A. BALLARD, formerly manager at Agincourt, Ont., to be manager at Cochrane, Ont.

S. L. GARDNER, formerly assistant accountant at Ottawa, Ont., to be accountant at Brantford, Ont.

A. G. BAIRD, formerly accountant at Brantford, Ont., to be accountant at Arnprior, Ont.

Bank of Montreal announces the following changes in staff appointments:

J. M. SKINNER, formerly on head office staff, to be manager at Chateau Frontenac, Quebec, Que.

D. D. TROTTER, formerly on head office staff, to be manager at Bury, Que.

W. V. LAW, formerly an assistant manager at Toronto, to be manager at Queen and O'Hara, Toronto.

W. T. R. HENDERSON, formerly manager at Trenton, Ont., to be assistant manager at Toronto.

C. A. NORSWORTHY, formerly manager at Napanee, Ont., to be manager at Trenton, Ont.

G. NICOL, formerly of the superintendent's department, Toronto, to be manager at Napanee, Ont.

E. W. ALEXANDER, formerly of the superintendent's department, Calgary, to be manager at Davidson, Sask.

Branch Changes

The Canadian Bank of Commerce announces that its East Coulee, Alta., sub branch to the Drumheller branch was closed as of April 29.

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Current Events in Banking World

BANKERS SAY BOND DEALINGS NOT LIKE U. S.

Say They Gave Service, Built Bond Market, Aided Government

DEALERS VS. BANKS

Dealer Says Banks Compromised in Dual Capacity of Agent and Principal in Underwritings

Banks in Canada have not even approached the practices in dealing in securities which have caused investigations, impeachments and scandal in the United States banks, bankers have contended in discussing the matter with The Financial Post. One bank, which has substantial securities dealings, pointed out that it had never initiated an underwriting, although it had participated in several.

The impression that Canadian banks may have exceeded "gilt-edged" policies in handling securities arises from the recent statement of Lt.-Col. George A. Drew, chairman of the Ontario Securities Commission. Said he: "The banks should be compelled to stay out of the securities field . . . with the banks coming very dangerously close to doing the same thing as was done in the United States, I say this to emphasize my point that they should be kept out of the field of the sale of industrial securities." Col. Drew's statement followed the inauguration of a discussion on the subject by The Financial Post.

Some security dealers would go further than this. They would keep banks from underwriting and selling municipal and government securities also. But some of them do not feel that this should be accomplished by placing additional restrictions on the banks. They think the banks should withdraw from the business voluntarily. Bankers say this would deal a blow to the bond business generally, and that it would hamper government and municipal financing.

Banks Deny Implication

The banks firmly deny that they have come "dangerously close to doing the same thing as was done in the United States."

Judging from Lt.-Col. Drew's statement, it would seem that he favors restriction, probably through revision of the terms of the Bank Act.

One investment dealer recently told The Financial Post that banks are compromised in their dual capacity as underwriters of securities for corporations which also do business with the banks as customers. He argued that in numerous large mergers in Canada in recent years banks had been inclined to take part in the underwritings of securities for the merged interests in order to keep or get the commercial business of the whole group.

He also stated that banks were compromised when acting as fiscal agents for a municipality or government for which they underwrite securities. If such an underwriting later sells at a substantial premium, the bank may be held responsible by the municipality for not obtaining the best possible price for the securities. At least they leave themselves open to criticism, he contended. In such cases banks should merely act as agents, this dealer claimed, and should ask underwriting syndicates of dealers to submit bids, and should then accept the best price available.

Investment Bankers' Attitude

"The banks," this man said, "had the investment banker's frame of mind in selling industrial securities in recent years." He did not criticize this mental condition, being an investment banker himself, but felt that it was not good for banks to have it. They were not in a position to exert the restraining influence through which banks should discourage certain types of underwritings. He felt that when banks were interested in underwritings or in handling blocks of bonds as dealers, banks are not in an unbiased position in making loans on the securities in question.

This dealer acknowledged that banks were of vital importance to finance underwritings, and expected this to continue. But he felt that banks should make such loans as bankers, solely on the merits of the securities, not as interested participants in the underwritings nor as dealers selling the securities.

Banker's Viewpoint

Bankers consider themselves on safe ground in filling a customer's order for industrial securities, and taking an agent's commission for the services rendered. So far they have been less specific in defending suggestions they may make to clients who ask for investment advice or offerings. Some bankers think the banks should never suggest industrial securities in this way, especially if the bank is a member of the underwriting syndicate for a specific security.

The late Sir Edmund Walker, former president of the Canadian Bank of Commerce, was definitely of this opinion. He stated in 1923:

"We have savings bank customers and people that trust their bank, who come and want to buy a government bond, and we have gone into the bond business arising quite in a natural way... We would not in our bank sell industrial bonds."

Banks' Defense

Banks defend their sales of securities to their customers on the grounds that they have been of prime importance in aiding government financing, starting during the war, and that they have built an investment demand which is now of material assistance to bond dealers.

Certainly the war started banks in the bond business on a major scale. Bankers point out that the necessity of raising large sums for the Government, particularly in 1918 and 1919, brought their widespread facilities into demand for the purpose. Bond dealers and the Government, they say, both asked for their help.

It is the contention of the banks that they obtained distribution of bonds which could not have been achieved by bond dealers. They sold securities in districts which bond dealers did not touch. They sold to people who had never been investors, and thus created a later demand from these persons, a large portion of whose business now goes to dealers. In brief, the claim of the banks is that they played a major part in organizing the Canadian investment machinery, and that they are still obliged to carry on a large part of its operation because no one else has the necessary equipment.

Don't Want to Compete

Bankers have stated to The Financial Post that they do not wish to compete with bond dealers. They merely give service which dealers are not in a position to render, because they do not reach certain classes and certain communities. One banker, as evidence of this, pointed out that his bank would not advertise that it would take orders for certain recent issues of government bonds. Its name was on the original prospectus, but not on any other advertisements.

Bond dealers reply that the individual bank manager attempts to get all such business he can and does not worry much about the bond dealers. The result, dealers claim, is that the bank managers use their influence and information to get business which should belong to the dealers.

Foreign Exchange

GOLD currencies, francs, belga and guilders, displayed great strength in the week ended May 1. The non-gold currencies are now chiefly allied to the sterling group or to the U. S. dollar. The sterling group has been stronger than the dollar group, and has therefore shown less weakness in terms of gold than the dollar. The Canadian dollar is a subsidiary currency to both the dollar and the sterling group, and its price has reflected this position. It remains, roughly, mid-way between the pound and the dollar.

The chief reason for the strength of gold currencies is speculation on revaluation of gold in such countries as the United States, Great Britain and Canada. Nothing definite is known of plans to this end. But the stage is set in case the actors decide to play the revaluation drama.

* * *

RESUMPTION of the gold standard is likely to come eventually. Certainly there will be changes in gold content of some currencies. Sterling is a probable case. But it should be noted that a return to the gold standard eventually means interlocking the general price levels of the gold standard countries. Herein lies the reason why British officials have consistently stated that they would only return to gold when they were assured that the standard "would work." Great Britain does not want to link its price level to those of France and the United States by gold until there is some assurance that gold countries can cope with rises and falls in prices better than they have done in the last three years.

The week's quotations follow:

FOREIGN EXCHANGE
New York Funds

	High (Premium) %	Low (Premium) %	Last Year High (Premium) %	Last Year Low (Premium) %
Apr. 25	16 1-8	14 1-8	11 17-32	11 7-16
Apr. 26	16 1-8	14 7-8	11 7-8	11 7-16
Apr. 27	16 1-4	15 1-2	13	11 3-4
Apr. 28	16 1-4	14 7-8	12 3-4	11 7-8
Apr. 29	14 1-2	14	12	11 3-4
May 1	13 5-8	12 1-2	12	11 3-4

STERLING, FRANCS AND LIRE
Close: Demand in New York

	Sterling	Francs	Lire
Gold par	$4.866	$0.03918	$0.526
Apr. 25	3.85 1-8	0.438 15-16	0.579 3-4
Apr. 26	3.79 7-8	0.434 7-16	0.575 3-4
Apr. 27	3.73 3-8	0.432 3-16	0.569 3-4
Apr. 28	3.77 3-8	0.437 7-16	0.577 3-4
Apr. 29	3.68	0.447 15-16	0.589 3-4
May 1	3.88 7-8	0.464 7-16	0.611 3-4

Close: Demand in Toronto

	Sterling	Francs	Lire
Gold par	$4.866	$0.03918	$0.0526
Apr. 25	4.43 1-4	0.0503 3-4	0.0667 3-4
Apr. 26	4.36 3-4	0.0490 3-4	0.0660 3-4
Apr. 27	4.32	0.0499 3-4	0.0661
Apr. 28	4.35	0.0502 3-4	0.0664
Apr. 29	4.40	0.0511 1-2	0.0676 3-4
May 1	4.42 3-4	0.0541 1-2	0.0696 3-4

	Reichsmarks	Belga	Yen
Gold par	$0.238	$0.139	$0.498
Apr. 25	0.2493	0.1795 1-2	0.2790
Apr. 26	0.2937	0.1784 1-2	0.2760
Apr. 27	0.2933 1-2	0.1784	0.2781
Apr. 28	0.2947	0.1795 1-2	0.2734
Apr. 29	0.3012 1-2	0.1814	0.2796
May 1	0.3141 1-2	0.1801 1-2	0.2784

Bank Charters Extended One Year to July 1, 1932

All Canadian chartered banks have had their charters renewed by Parliament for one year from July 1, 1933, to July 1, 1934. Little opposition was experienced in passing the measure through second and third reading in the House. The process took only four hours.

In commenting on the measure, Rt. Hon. R. B. Bennett praised the Canadian banks. He again promised that the whole system of banking in Canada would be investigated shortly by a Royal Commission.

Bank charters in this country are usually for ten years. Each decennial revision of the Bank Act includes an extension of charters. The last revision of the act was in 1923. The next, which was due in 1933, has been postponed until 1934.

ALL 9 BRANCHES BANK OF ENGLAND MAY BE CLOSED

Would Mean Operation in London Only as Bankers' Bank

Reports indicate that the Bank of England is considering closing all its branches, and conducting its operations in the City of London purely as a central bank. This development is of particular interest in Canada, since it has been contended that a central bank in this country would inevitably compete with commercial banks.

The Bank of England has nine branches. These are as follows, with the date of establishment in brackets: Law Courts, London, (1881); Manchester (1826); Birmingham (1826); Liverpool (1827); Bristol (1827); Leeds (1827); Newcastle (1828); Hull 1829); and Plymouth (1834). Three years ago the bank's London west end branch was acquired by the Royal Bank of Scotland.

Established in Request

These branches were originally established, chiefly at the request of the towns concerned, in order to furnish a general banking and deposit service. They competed with the other banks. The predominance above of dates in the 20's of the nineteenth century, is due to the need for banking service at that time due to widespread failure of banks in England at that period. This was particularly the case in northern districts. The Plymouth branch was originally established at the request of the Treasurer of the Navy.

Opening of new private accounts with branches of the Bank of England has been discouraged for some time, in accordance with the development of the institution into a central bank. The aim of the bank is said to be to become exclusively a bankers' bank in accordance with its own advice to European central banks.

The claim of opponents of a Canadian central bank, that it would compete with commercial banks appear to be well founded. The Bank of England was originally a commercial bank, and only stopped taking private accounts in recent years. The Bank of France competes actively with commercial banks for private accounts. Members of the Federal Reserve system of the United States are active competitors for general banking business. The Commonwealth Bank of Australia, the state bank of that country, operates numerous branches, and competes for deposits and commercial business.

EXCESS DEPOSITS IN SIX N. Z. BANKS

1932 First Year-end Since 1928 That Deposits Have Exceeded Advances

An excess of deposits over advances at Dec. 31, 1932, was recorded by the six trading banks operating in New Zealand. This was the first year-end since 1928 on which advances were less than deposits.

Total assets of the six trading banks amounted to £69,390,809 at Dec. 31, 1932, against total liabilities of £59,702,298.

The relationship of loans to advances for the past eight years is shown in the following table:

Deposits and Advances of Six New Zealand Trading Banks at Dec. 31

Year	Total deposits £	Total advances £
1925	46,080,362	48,564,427
1926	44,236,650	51,278,211
1927	45,701,057	49,759,664
1928	51,661,406	48,101,104
1929	53,356,733	53,807,831
1930	51,373,396	54,382,748
1931	50,781,034	51,016,782
1932	50,461,343	50,233,748

A feature of the deposits has been a steady increase in the proportion of fixed time deposits to the total. Similarly free deposits have decreased as a proportion of the total. This is shown in the following table of ratios:

Fixed Deposits and Free Deposits of New Zealand as Ratio of Total Deposits

Dec. 31:	Free deposits (per cent of total)	Fixed deposits (per cent of total)
1925	55	45
1926	52	48
1927	47	53
1928	43	57
1929	43	57
1930	36	64
1931	32	68
1932	30	70

The six trading banks are: Bank of New Zealand, Union Bank of Australia Ltd., Bank of New South Wales, Bank of Australasia, National Bank of New Zealand Ltd., and Commercial Bank of Australia.

Thomas Peacock President Hamilton Chamber of Com.

Thomas Peacock, manager of The Royal Bank of Canada at Hamilton, Ont., was elected president of the Hamilton Chamber of Commerce at the annual meeting on April 25. Mr. Peacock succeeds J. M. Piggott in the position.

The new board of directors of the chamber consists of C. H. Boothe, J. C. Callaghan, W. J. Westaway, N. S. Braden, H. P. Frid and L. R. Greene.

J. H. Perrin, manager of The Royal Bank of Canada's Hamilton market branch, was elected a member of the Chamber of Commerce at the same meeting.

Monthly Bank Clearings

	$ Apr., 1933	$ Apr., 1932
Halifax	7,443,785	10,547,817
Saint John	5,314,119	7,320,936
Moncton	2,231,180	2,978,387
Sherbrooke	2,114,714	2,631,326
Quebec	13,964,051	17,554,361
Montreal	275,086,295	323,374,145
Ottawa	14,402,892	21,484,994
Kingston	1,773,046	2,400,681
Peterboro	1,968,700	2,444,118
Toronto	318,660,718	342,938,447
Hamilton	12,694,469	16,717,181
Kitchener	2,976,781	3,665,934
Brantford	2,784,325	3,274,774
London	8,741,696	11,218,337
Chatham	....	1,875,936
Windsor	7,915,019	10,496,382
Sarnia	1,377,427	1,596,781
Sudbury	1,878,021	1,947,137
Fort William	1,963,594	2,383,940
Winnipeg	....	156,106,100
Regina	12,678,582	15,855,226
Moose Jaw	1,765,290	2,057,412
Saskatoon	....	5,761,126
Prince Albert	850,850	1,161,976
Edmonton	....	17,573,404
Calgary	18,187,175	20,391,079
Medicine Hat	698,515	683,049
N. Westminster	1,555,961	2,081,848
Vancouver	44,578,571	54,025,026
Victoria	4,880,877	6,237,633
Brandon	1,084,408	1,427,158
Lethbridge	1,204,647	1,380,259

MANY TRADE GROUPS SHOW IMPROVEMENT

Both Wholesale and Retail Trade Below Year Ago, However

Weekly trade report of the Canadian Credit Men's Trust Association, for the week ending April 29, is as follows:

Halifax—Wholesale trade in most lines remains about the same. Paints, paper and hardware lines report a slight increase in business. Retail trade normal, with collections slow.

Saint John—Wholesale trade reported as quiet and still below normal. Retail trade somewhat improved on account of spring buying. Collections slow but somewhat improved.

Montreal — Wholesale trade report very little change in business since last report. Retail trade while slightly improved not up to usual seasonal demands. Collections fair to slow.

Toronto — —Wholesale and retail merchants report unseasonable weather has exerted a tendency to slow up the trade which might ordinarily be expected with the spring season. Optimism is prevalent, based mainly on the international developments. Local produce markets reported active. Men's and ladies' wearing apparel lines reported as fair. Collections slow.

Winnipeg—Wholesale grocery and produce lines continue fairly active. Dry goods, wearing apparel and boots and shoes report very little change from the past week. Automotive supplies and hardware show slight improvement.

Regina—Wholesalers report satisfactory volume being maintained in grocery line; dry goods report a slight increase due to seasonal sales; hardware, fair trade at present. Retail trade, both city and country, report a slight increase due to seasonal requirements.

Moose Jaw—Wholesale and retail business continues fairly good in grocery line; dry goods quiet; wholesale boots and shoes fairly good; wholesale and retail hardware fair. Collections fair.

Saskatoon—Wholesale volume being maintained in grocery line; dry goods, ready-to-wear and boots and shoes continue fair; oils and greases fairly good. Very little change noted in retail trade. Collections fair.

Calgary—Wholesale and retail groceries continue in fairly good demand. Ladies' wear and boots and shoes report trade as showing slight improvement. Collections: current accounts taken care of quite promptly; very little being paid on old outstandings.

Edmonton — Wholesalers generally report increase in business, particularly clothing, boots and shoes and automotive supplies. Retail trade also reported as showing improvement. Collections: current accounts fair, very little activity on old outstandings.

Vancouver—Wholesale and retail merchants report noticeable increase in volume of business, due principally to movement of seasonable lines. Collections reported fair and very fair.

Royal Bank Gives Reason for Change in Dividend

From Our Own Correspondent

MONTREAL.—Reason for reducing the dividend from an annual basis of 10 per cent to one of 8 per cent is outlined in a letter sent by M. W. Wilson, general manager, to shareholders of the Royal Bank of Canada. He says:

"Earnings have continued to be adversely affected by prevailing conditions, which have resulted in a reduced demand for banking accommodation. The restoration of bank profits to previous levels depends, to a large degree, on an increase in general business activity. While awaiting a recovery of this character, your directors deem it prudent to continue a conservative policy in respect to dividends."

Quebec Harbor Reports Small Operating Deficit

From Our Own Correspondent

MONTREAL. — Revenue of Quebec Harbour Commission in 1932 was $630,809 compared with $803,752 in the previous year. Operating expenditures were $647,864 leaving a deficit for the year of $17,054.

During the year, number of vessels entering the port were 800, an increase of five over 1931, and total tonnage increased 190,763 tons at 5,193,655 tons. Grain received in 1932 was 4,323,590 bushels, a decrease of 1,117,041 bushels from the previous year. Deliveries were down 594,445 bushels at 5,028,635 bushels.

Total imports were down 100,000 tons at 596,668 tons and exports were down 29,172 tons at 196,577 tons.

Exchange Problems

Canada - U. S. Exchange in 1932

What was the rate of exchange on Canadian dollars related to U. S. money on Jan. 1, 1932, Feb., 1, 1932, March 1, 1932, March 15, 1932, April 1, 1932, May 1, 1932, June 1, 1932, June 15, 1932, July 1, 1932, Aug. 1, 1932, Sept. 1, 1932, Sept. 15, 1932, Oct. 1, 1932, Nov. 1, 1932, Dec. 1, 1932, and Dec. 15, 1932?

The quotations you request are contained in the following table:

Date 1932:	—Premium on U.S. Funds— High %	Low %	Close %	Equiv. Disc't in U.S. Close %
Jan. 2	20	18	18⅝	15½
Feb. 1	15⅝	14½	15¼	13¼
Mar. 1	13⅛	12⅝	12 15/16	11½
Mar. 15	12	11⅞	11 15/16	10⅝
April 1	11⅛	10⅝	10 15/16	9⅞
May 2	12	11 11/16	11 25/32	10½
June 1	14	13⅝	13⅞	12¼
June 15	15⅝	15⅛	15⅜	13⅜
July 2	14⅝	14¼	14⅜	12⅝
Aug. 1	15	14⅝	14 9/16	12⅝
Sept. 1	11¼	11⅛	11¼	10⅛
Sept. 15	10⅞	10⅝	10⅝	9 11/16
Oct. 1	10 5/16	10⅛	10 3/16	9¼
Nov. 1	10 11/16	10 1/16	10¼	9 3/16
Dec. 1	17¼	16⅝	16¾	14¾
Dec. 15	15⅝	14⅝	15	13 1/16

Weekly Bank Clearings

	Apr. 27 1933 $		Change Year Ago %	Apr. 20 1933 $
Toronto	96,486,918	+	34.4	55,368,458
Montreal	76,681,029	+	11.4	51,769,389
Halifax	1,807,387	—	3.4	1,555,118
Saint John	1,289,231	—	15.6	1,165,030
Sherbrooke	511,054	—	10.9	481,181
Quebec	3,254,389	—	11.1	2,724,681
Ottawa	3,581,905	—	10.0	3,020,437
Kingston	437,808	—	8.4	368,663
Peterboro	467,852	—	8.1	427,916
Hamilton	3,096,660	—	17.5	2,514,815
Kitchener	680,842	—	4.8	625,721
Brantford	676,255	+	4.4	560,175
London	2,244,866	—	22.8	1,751,066
Chatham	366,000	—	4.4	321,393
Windsor	2,050,188	+	0.5	1,827,543
Sarnia	278,840	+	14.8	236,107
Sudbury	561,683	+	29.2	378,521
Moncton	662,877	+	10.8	464,395
Ft. William	414,018	—	8.5	457,918
Brandon	259,765	—	9.8	254,159
Regina	2,801,878	+	15.6	2,489,323
Moose Jaw	396,672	+	8.6	390,484
Saskatoon	1,001,533	—	14.1	843,250
Prince Albert	198,391	—	2.4	168,381
Edmonton	3,098,901	—	5.1	2,674,463
Calgary	4,870,586	+	24.2	3,527,436
Medicine Hat	188,305	—	4.1	145,396
Lethbridge	268,318	+	15.3	285,760
N. W'minster	378,632	—	12.2	277,041
Vancouver	11,667,087	+	7.5	9,295,958
Victoria	1,187,458	+	8.9	990,173
Winnipeg	63,238,062	+	108.1	30,415,045

EXPORT BALANCE OF NEW ZEALAND GREATER IN 1932

Trade With Canada is Increasing — Internal Trade Unimproved

New Zealand as well as Canada increased her export balance of merchandise trade in 1932. The export balance was increased, from £10,340,070 in 1931 to £13,930,678.

Total exports of goods from New Zealand in 1932 amounted to £36,965,780, compared with £35,153,028 for 1931, an increase of £1,812,752. Imports declined. They totalled £23,035,102, compared with £24,812,958 in 1931, a reduction of £1,777,856.

These figures are somewhat misleading since New Zealand currency has been at a discount from sterling, and since exports are valued in New Zealand currency and imports in sterling. The trade figures for the last three years, after converting the import figures into New Zealand currency, are as follows:

Total Trade of New Zealand and Excess of Exports Valued in New Zealand Currency

Years ended Dec. 31	Total trade £	Excess of exports over imports £
1930	89,685,000	195,000
1931	61,760,000	8,550,000
1932	61,620,000	10,900,000

The net export balance, even after making this adjustment is larger than any in the last 12 years, with the exception of 1928. The improvement in the trade balance and banking returns do not appear to have been reflected in marked improvement in internal economic conditions, according to the New Zealand Department of Industries and Commerce. The reduced state of internal trade indicates that economic relationships within the country are still unbalanced, and that disturbance of the terms on which various groups of the population have been accustomed to exchange their goods are persisting.

The value of all production in New Zealand in the year ended March 31, 1932, is estimated at £82,600,090, compared with £97,700,000 in the previous year. The distribution of this production among eight principal groups is shown in the following comparative table:

Value of Production in New Zealand for Eight Main Groups of Population

Production Group:	—Years Ended March 31— 1929-30 £	1930-31 £	1931-32 £
Agricultural	8.9	8.8	7.9
Pastoral	33.7	24.4	19.1
Dairying, etc.	29.7	23.7	22.9
Mining	3.6	3.5	3.4
Fisheries	0.6	0.5	0.4
Forest	3.3	2.7	1.5
Factory	25.0	23.1	18.2
Constr. & industrial	13.4	11.0	9.8
Totals	118.2	97.7	82.6

Trade with Canada appears to be on the increase. While total exports and imports to and from Canada were smaller in the calendar year 1932 than in 1931, they were both considerably larger in the last three months of 1932 than in the same period of 1931. This is shown as follows:

New Zealand's Imports from and Exports to Canada in 1931 and 1932

	Year 1932 £ 000's	Year 1931 £ 000's	4th Quarter 1932 £ 000's	4th Quarter 1931 £ 000's
Imports	1,007	1,225	364	218
Exports	244	267	89	15

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Head Office—Windsor, Ontario

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General Manager
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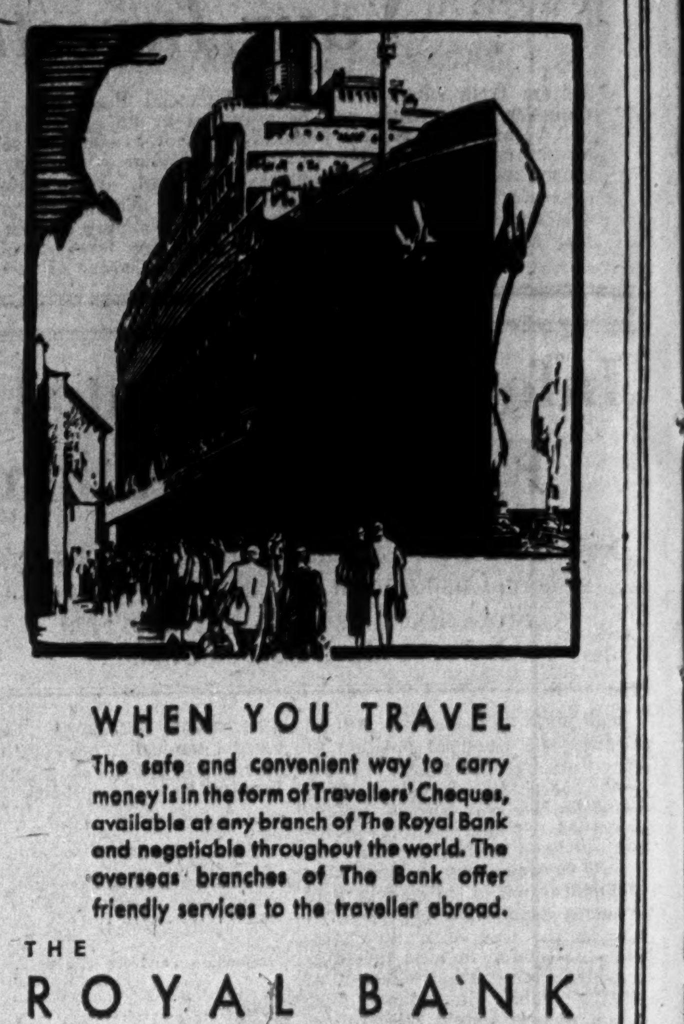

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COMBINE EXISTS IN BRITISH COAL 4 FIRMS NAMED

Importers Alleged to Have Agreed to Fix Retail Prices

A combine against the public interests exists in the importation and sale of Welsh and Scottish anthracite coal into Canada. This was the decision reached through the federal investigation of the coal trade carried out by F. A. McGregor, the registrar under the Combines Investigation Act.

The companies stated to be in the combine are: Canadian Coal Import Co., Ltd., and its subsidiaries, the St. Lawrence Stevedoring Co., and the British Coal Co., Ltd.,

The F. P. Weaver Coal Co., Ltd., in which Senator Lorne Webster, head of the Canadian Coal Importing Co., acquired a controlling interest in March, 1932.

Hartt and Adair Coal Co., Ltd., Scotch Anthracite Co. of Canada, Ltd.

The alleged combine exists in Montreal, and it is understood that action to break it may either be taken by Premier Taschereau of Quebec, who is Attorney-General for that province, or possibly by the Department of Justice, Ottawa.

The complete report has not been published. It is understood that evidence collected showed a profit in 1932 of 59 cents a ton to Canadian Coal Imports Co., 60 cents a ton to Scotch Anthracite Co., and 34 cents a ton to F. P. Weaver Coal Co. It is reported that executive salaries of $97,000 were paid by Canadian Coal Import Co. before profits were reported.

The Weaver Company and Canadian Coal Import Co. are reported to have agreed not to sell Russian coal in Quebec, Montreal, Ottawa or Toronto, the four competitive points on which the investigation concentrated. It is also reported that the four firms mentioned above agreed in March, 1932, not to import German anthracite.

Fixed Retail Price

In May, 1932, the four chief importing firms, it is said, agreed to fix the retail price for buckwheat coal and not to supply dealers who broke the agreement. This arrangement is said to have lasted only two months.

In July of last year, the report finds the same four companies, with Elias Rogers and Mongeau and Robert, entered into an agreement with the Montreal Coke and Manufacturing Co. not to import British coke, nor to discharge it for other dealers and not to sell coke to dealers under $9 per ton. In return the Montreal Coke and Manufacturing Co. agreed to sell to these firms at $7.50 per ton. The retail price stayed pegged at from $12 to $12.50 per ton.

DIVIDEND NOTICES

The Canadian Bank of Commerce

Dividend No. 185

Notice is hereby given that a dividend of Two per cent in Canadian funds on the paid-up capital stock of this Bank has been declared for the quarter ending 31st May, 1933, and that the same will be payable (less five per cent Dominion of Canada tax in the case of non-residents of Canada) at the Bank and its Branches on and after Thursday, 1st June next, to shareholders of record at the close of business on the 30th April, 1933. The Transfer Books will not be closed.

By Order of the Board

S. H. LOGAN

General Manager

Toronto, 21st April, 1933.

BLUE RIBBON CORPORATION LIMITED

NOTICE is hereby given that a dividend of Fifty Cents (50c) per share on the preferred shares of the Company has been declared payable on and after May 1st, 1933, to shareholders of record on April 28th, 1933.

DATED at TORONTO this 27th day of April, 1933.

J. C. JAMIESON,

Secretary.

Hollinger Consolidated Gold Mines, Limited

DIVIDEND NUMBER 240

EXTRA DIVIDEND NUMBER 5

A regular dividend of 1% and an extra dividend of like amount making 2% in all has been declared on the Capital Stock of the Company, payable on the 20th day of May, 1933, on which date cheques will be mailed to shareholders of record at the close of business on the 5th day of May, 1933.

DATED the 28th day of April, 1933.

I. McIVOR,

Assistant-Treasurer.

Borden's

COMMON STOCK DIVIDEND No. 93

A quarterly dividend of forty cents (40¢) per share has been declared on the outstanding common stock of this Company, payable June 1st, 1933, to stockholders of record at the close of business, May 15, 1933. Checks will be mailed.

THE BORDEN COMPANY.

E. L. Noetzel, *Treasurer*.

McCOLL-FRONTENAC OIL COMPANY LIMITED

Common Stock Dividend No. 15

Notice is hereby given that a Dividend of 15 Cents per share, being at the rate of 60 Cents per share per annum, has been declared on the no par value Common Stock of McColl-Frontenac Oil Company, Limited, for the Quarter ending May 15, 1933, payable June 15, 1933, to Shareholders of record at the close of business on May 15, 1933.

By Order of the Board.

FRED HUNT,

Secretary.

April 27, 1933.

Belding-Corticelli Limited

DIVIDEND No. 74

Notice is hereby given that on the Preference Stock of this Company, the Directors have declared a Quarterly Dividend of 1¾%, payable on the 15th day of June to Shareholders of record at the close of business the 31st day of May, 1933.

By Order of the Board,

D. F. POLLOCK,

Secretary.

Loblaw Groceterias Co. Limited

NOTICE is hereby given that quarterly dividends of 20 cents per share on the Class "A" shares and 20 cents per share on the Class "B" shares of the Company have been declared for the quarter ending May 31st, 1933, payable on June 1st, 1933, to shareholders of record at the close of business on May 12th, 1933. The transfer books will not be closed.

By order of the Board.

D. URQUHART,

Secretary.

Toronto, May 1st, 1933.

THRIFT STORES, LIMITED

NOTICE is hereby given that the fourth Annual General Meeting of the Shareholders of Thrift Stores Limited will be held at the offices of the Company, 645 Wellington Street, Montreal, on the 16th day of May, 1933, at 11.30 o'clock in the forenoon, and that Shareholders as of record May 5th, 1933, will be entitled to vote thereat.

Proxies should be lodged on or before the 15th day of May, 1933.

THOS. F. MUNDY, Sec.-Treas.

Montreal, May 2nd, 1933.

Thomson, Dean Publish Dividend Record Book

From Our Own Correspondent

MONTREAL.—A booklet containing the 1932 dividend records of over 250 Canadian companies has been issued by Thomson, Dean and Co., members of the Montreal Stock Exchange. This folder, while it has been issued chiefly as an aid to investors in completing their income tax returns, is also of value as a handy reference covering dividend rates and payment dates on securities now held.

The booklet is being distributed free of cost by Thomson, Dean and Co. and Nesbitt, Thomson and Co., both of Montreal.

Paul Gonthier and Co. Establish Brokerage Firm

From Our Own Correspondent

MONTREAL. — Announcement is made of the formation of a new brokerage firm under the name of Paul Gonthier and Co. to take over the business of Gonthier, Panet-Raymond, Masson and Co. Ltd. Paul Gonthier is president and general manager of the new firm, which has its head office in Montreal.

DIVIDEND NOTICE

Consolidated Diversified Standard Securities Limited

Dividend No. 2

NOTICE is hereby given that a dividend of 25c per share on the outstanding fully paid non-cumulative redeemable First Preference shares has been declared, payable June 15, 1933, to shareholders of record May 15, 1933. Transfer books will be closed from May 15 to June 15, 1933, inclusive.

By Order of the Board.

A. G. TIERNEY, Sec.

P.S.—Dividends accruing on fully paid shares not as yet registered in the company's stock records shall be set aside and paid only when registration shall have been completed.

Montreal, May 1, 1933.

NOTICES

Business Opportunities

American manufacturer locating in Toronto offers valuable sales franchise to responsible party with merchandising experience. Two to Three Thousand dollars required to operate. Replies solicited only from those willing to devote entire time to this business. Openings in Toronto, Hamilton, London, Windsor, Montreal and Ottawa.

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TOWN OF KINCARDINE $9,477.00 5½% Debentures

Ten-year installment plan, tenders received until May 5th, 8 p.m.

WILLIAM BUTLER

Town Clerk

The Ontario Municipal Board

NOTICE IS HEREBY GIVEN that the Municipality of the Town of Mimico has become subject to the provisions of Part VI of "The Ontario Municipal Board Act, 1932" by an Order of the Ontario Municipal Board bearing date the 19th day of April, 1933, and from and after the first publication of this notice in the Ontario Gazette, all actions or proceedings against the said Municipality are stayed and thereafter no action or other proceeding against the said Municipality shall be commenced or continued nor shall a levy be made under a writ of execution against it without leave of the Ontario Municipal Board.

Dated this 19th day of April, A.D., 1933.

H. C. SMALL,

Secretary, The Ontario Municipal Board.

THE ONTARIO MUNICIPAL BOARD

NOTICE IS HEREBY GIVEN that the Municipality of the Village of Long Branch has become subject to the provisions of Part VI of "The Ontario Municipal Board Act, 1932," by an Order of the Ontario Municipal Board bearing date the 25th day of March, 1933, and from and after the first publication of this Notice in the Ontario Gazette, which publication was made on the 22nd day of April, 1933, all actions or proceedings against the said Municipality are stayed and thereafter no action or other proceeding against the said Municipality shall be commenced or continued nor shall a levy be made under a writ of execution against it without leave of the Ontario Municipal Board.

DATED this 25th day of March, A. D. 1933.

H. C. SMALL,

Secretary,

The Ontario Municipal Board.

This Week in Wheat

From Our Grain Correspondent

May Delivery

WINNIPEG—Opening of the May delivery month saw a continuation of the movement toward higher wheat prices. No disturbance was felt by the market on account of deliveries, although these were exceptionally heavy for the first day at over 15,000,000. While hedges are usually more closely adjusted than this indicates before the opening of a delivery month, some holders of cash wheat had delayed transferring to a later month in the hope of getting better spreads than were available. Holders of futures, certain that nothing but No. 1 northern would be delivered on the contract, were willing to keep their commitments open.

* * *

Currency Dominates

THE market just now is essentially a problem in currency values, and not one in the supply of and demand for wheat. If the expected effects of inflation occur that are predicted for the United States and that are hinted at for Canada, it would seem that they have not yet been fully discounted. If on the contrary it appears that they are not to occur, a recession of prices would be due, except for the fact that the market has a secondary line of defense, in the changing picture of supplies due to short production in the United States.

There is a tendency for prices in the United Kingdom, as expressed in sterling to resist change, either upward or downward, and each rise in the value of the British pound is accordingly reflected in higher prices on the Canadian market. But export transactions are difficult to close, sometimes because our market gets out of line with ideas of values held abroad, and also because of reluctance of exporters to offer in substantial volume, in fear of heavy losses that might be imposed on them through rapid fluctuations, either in exchange or wheat quotations.

* * *

World Shipments Up

WORLD shipments last week were larger at 12,000,000, of which about 5,000,000 were from Canada, slightly less from the Argentine, and less than 2,000,000 from Australia. Supplies afloat for Europe are low, and consist mainly of Argentine wheat, which this year is of poor quality. While Australian wheat is high in quality, no great quantities are on passage, and Great Britain and other countries needing high grade wheat must look to Canada. Argentine wheat continues to go to eastern and central Europe, and both Roumania and Austria are expected to have to keep up imports at a considerable rate.

* * *

New U. S. Figures

RELEASE of private reports on United States winter wheat, with estimates averaging 350,000,000 bushels, and one as low as 327,000,000 against the latest government estimate of 334,000,000 bushels was construed as bullish, because indicating limited extent of improvement in condition of crops from recent rains. The increase was offset by reports of reduced acreage and unfavorable prospects for the spring wheat crop.

While premiums on durum wheat were off for a while, outlook for western producers is improved by the decline in seeding of this variety in the Northwestern states. Unless Russia re-enters the picture next fall, Canada will be practically the only available source of supply for Italian imports.

* * *

Figures Lie

JUST at this season of the year observers should be on their guard against being deceived by grain statistics. Misplaced enthusiasm is sometimes placed on declining figures for visible wheat, in forgetfulness of the fact that when grain is loaded on vessels at the head of the lakes it disappears temporarily from the visible supply, only to re-enter it again when it arrives in reportable position at lower lake ports. Then, too, once seeding gets under way, country deliveries of wheat decline sharply, as farmers can spare neither time nor equipment for hauling grain to market. The really significant figures which would denote an improvement in the Canadian wheat position would be those showing large export clearances from the seaboard.

Snow, Rain Delay Spring Farm Work

Late snowfall and rain, while providing much needed moisture throughout the prairie provinces, has considerably retarded seeding operations and, as a result, the acreage sown to wheat in most areas will be somewhat reduced with a consequent increase in the amount of coarse grains sown, according to the first weekly report of the agricultural department, Canadian National Railways. Night frosts have kept the ground in Southern Manitoba unworkable until noon and further retarded operations, while the Peace River district is still under snow and will not be workable until the second week in May.

Conditions in Central Manitoba are good with sufficient moisture and seeding well under way. Organization work for the control of grasshoppers is now taking place in many municipalities throughout Manitoba.

Activities are about a week later than usual in Southern Saskatchewan but moisture conditions are satisfactory. There will be slight reduction in acreage as a result of lateness and a partial shortage of seed wheat. Central Saskatchewan conditions are much similar to those of the southern section, except that in the northern part and in the Prince Albert division work has barely started.

Easter snowstorms in Alberta, followed by cold backward weather resulted in a postponement of spring work. Many parts of the province will be two weeks late while the Peace River area will not begin until the second week of May.

Grain and Milling in Canada

MARKET POSITION OF GOVERNMENT MUCH IN DOUBT

Speculation Rife Regarding Wheat Holdings Retained

From Our Own Correspondent

WINNIPEG. — The extent to which the position of the Canadian Government in the wheat market has altered during recent weeks is a matter concerning which there is a great deal more interest than information. Obviously, of course, the Government as the world's largest holder of wheat, has been benefitted greatly by the rise in prices which has taken place since the beginning of March. Just how much, depends upon the extent of original holdings through the organization which was formerly the Central Selling Agency of Western Wheat Pools, but which to all intents and purposes is now the Dominion Government Agency. Those in charge of the operations, or close to them, have only to look at the fluctuations in bank borrowings of the agency to know exactly how they stand, for the Government holdings are all in futures, and futures transactions are adjusted day by day in cash through the Central Selling Agency.

If holdings of 100,000,000 bushels for the agency are assumed, and they are generally believed to have been considerably higher than that, the clearing house would pay to the agency $1,000,000 for every cent's advance in the price of wheat at the close of the market each day. And a ten cent rise would mean $10,000,000 so returned, and a corresponding decrease in the bank borrowings of the agency which have been guaranteed by the Dominion Government.

Position of Banks

The net relation of the banks to the wheat market is not changed very much by such transactions, since at the same time they are called on to lend correspondingly larger sums to the organizations, principally elevator companies, which have sold short in the futures market to protect their holdings, and which have to put up more money for each advance in wheat.

That the Government position in the market should be liquidated as promptly as possible is the opinion of informed grain men, and there is no reason to suppose that it is not also the opinion of those in charge of the operations. A market in which the greater part of the open interest is held by one agency is not in a healthy condition.

There have been recent indications of the Canadian market being much too narrow, for when on occasion a comparatively good volume of export business has been done over-night, the morning rush of exporters to cover their commitments, not really large in the aggregate, has pushed prices violently upward, with a resulting fall later as soon as requirements were satisfied.

Government's Duty Done

Large Government participation in the market was undertaken at a time when it was believed that a lack of speculative buying would result in a collapse of prices unless the market were temporarily supported. But, undertaken as the operation was in order to support prices, it has nevertheless become the obligation of those in charge to prevent prices getting too high, high enough that is to prevent the export of wheat being continuously carried on. With a reviving interest in the market, and the resumption of large scale buying whether by the speculative public or by dealers in wheat and flour based on the probabilities of future prices, it becomes important to release, not only enough of the Government commitments to enable export to be carried on, but to enable the market gradually to assume a broader aspect. The ultimate object must be to get the Government out entirely, but no one expects that such an end can be attained very shortly, unless something very extraordinary should occur.

United States experience gives an indication of the importance of this objective. Various as have been the influences working on the market there since March 4, an important one beyond doubt has been the greater feeling of confidence in the market as an indication of values as soon as it was definitely known that the Government was finally out of the picture. While some loss to the treasury of the country might have been avoided had liquidation of Farm Board holdings been postponed for some time longer, much greater benefits were obtained to the country as a whole by allowing the market to resume its normal functioning, unhampered by uncertainty as to what the Government forces might undertake to do next.

Disarm Criticism

It is important therefore, that there should be no pressure from the country on the Government, or from the Government on its representatives, to conduct market operations as a speculation from which the maximum of profit, or rather the minimum of loss is to be anticipated.

The market as a whole recognizes the difficulties of the Government position, and there has been a freedom from criticism of day to day operations which has been in remarkabe contrast to feelings expressed across the line in relation to the conduct there of the Government market operations. An appreciation of the situation by the public is also desirable, so that the conclusion of the operations should be anticipated, not in respect to their speculative results, but in respect to restoration of a healthy tone to the market.

Late Seeding Season May Reduce Acreage

Lack of Sufficient Equipment Also Handicaps Prairie Farmer in Rush to Sow Wheat—Moisture Prospects Improve, However

From Our Own Correspondent

WINNIPEG. — Some decline in wheat acreage of Western Canada is now to be anticipated on account of the very late seeding. Seldom has the first of May arrived with so small a percentage of seed in the ground, and an immense amount of work will have to be done during the next two weeks to allow a normal programme of wheat seeding to be carried out. As a rule it is considered that much the greater part of wheat seeding should be completed by the middle of May. In some areas seeding up to May 24 is considered normal and, while occasionally some wheat is sown even later, it is considered extremely risky. Alberta is comparatively much later than that in the other two provinces this year, for southern Alberta is accustomed to seed much earlier than the rest of the prairies, as this is usually made possible by a much earlier opening of spring.

As was pointed out in a previous review of the situation, the length of the seeding season might be a more important factor in acreage than usual, as on many farms a sufficient equipment of horses and machinery is not available to allow a large programme to be compressed within a very short space of time.

Outside of the time factor, an early seeding season is not usually looked upon with especial favor, for such a condition means the soil is exposed to drying conditions for a longer space of time than is desirable. The late spring snowfalls which have been responsible for keeping the soil from being worked as early as usual are entirely favorable except as they may interfere with getting the work done. They have provided sufficient moisture for early germination, making it probable that the crop will get along as rapidly as if it had been seeded earlier. It is true that over wide areas where sub-soil moisture is deficient, a good deal of rainfall will be necessary during the growing season if good returns are to be secured, but anxiety on that score may now be postponed until the end of May or the beginning of June.

The recent rise in the price of wheat has been encouraging to farmers, but it cannot be said that it will have any material effect upon total acreage sown. At this season of the year a farmer's activities are determined by the needs and possibilities of his land, and his ability to work it properly, and he is likely to pay little attention to probabilities of harvest time prices. Sometimes farmers are tempted to put in too large an acreage, and to seed wheat on land inadequately prepared, but the chance thus taken results as much from available time to seed extra acreage as it does from hopes of future prices.

HOIST SHIP BILL PROPOSE NEW ONE TO DIVERT GRAIN

Ottawa May Levy Duty Against Foreign and British Built Ships

The contentious bill to amend the Canada Shipping Act is to be withdrawn for the present session of Parliament, according to an announcement by Rt. Hon. Arthur Meighen before the Senate Committee on Banking and Commerce. A smaller bill providing changes in regulations governing inland shipping is to be introduced this week, with the intention of giving Canadian carriers a larger share of the grain trade. This conforms with The Financial Post's recent Ottawa dispatch on this topic.

The Government is also considering introduction of a substantial duty against foreign-built ships, including British, constructed for the Canadian coastal trade, judging from Mr. Meighen's remarks. The intention would be to protect Canadian shipyards, which, it is claimed, are necessary to carry out repairs to vessels in the trade, but which cannot subsist on repair work alone. They cannot compete with British yards because costs are higher. Some Canadian shipping interests are said to be opposed to such a duty, but might advocate a subsidy to Canadian shipyards in lieu of it.

May Hurt U. S. Ships

The new bill to be introduced will probably aim at some adjustment of the grain trade which goes from the head of the lakes to Buffalo in American bottoms to be transshipped to Montreal.

The lifting of the proposed major revision of the shipping act is due to failure of the proposed measure to govern control of Canadian shipping on all the seven seas, and lack of knowledge of the problems involved to make the legislation suitable. It is also thought that there should be a definite attempt to achieve uniformity with other British shipping legislation before adopting the proposed measure.

Mr. Meighen commented on these problems:

"If we legislate along the lines laid down in the drafted bill we cut adrift from the British legislation and are left to rely upon the provisions of Canadian legislation, some of which we have not the constitutional power to enact, so that we are confronted really with a double difficulty."

Suggest British Approval

Alex. Johnston, former Deputy Minister of Marine, has suggested that a new bill be drafted, providing uniformity with British and Imperial legislation, and that it be submitted to the British Government. Senator Meighen favored this plan. He pointed out that the need for uniformity was to ensure protection and service to ships of all parts of the Empire at all ports of call.

The necessity of Canada considering changing her shipping regulations arises from the terms of the Statute of Westminster of 1931, which placed extra-territorial shipping jurisdiction in the hands of this country. Previous to that time, the British Merchant Shipping Act applied to Canadian ships. The bill which has been withdrawn does not provide legislation to fill this gap in Canada's extra-territorial control.

Buying Power Jumps Sharply As Wheat Rises

Farmer purchasing power increased during April from 33 per cent of the 1913-14 level to 38 per cent, according to a monthly compilation made by Searle Grain Co., Winnipeg. While the index number of "things farmers buy" remained at 125 on the base of 1913-14 equals 100, the rise in the index number of the price of wheat at country elevators from 41 to 48 chiefly accounts for the increase in purchasing power.

Increases in lamb and hog prices also improved purchasing power to some extent compared with the previous month but cattle prices were slightly lower. The wholesale commodities index at April 17 was down to 100.6 on the 1913-14 base but manufactured articles 25 per cent above that level.

Cash wheat closed at 49⅝ cents on April 1. It had risen exactly ten cents, to 59⅝, at the close on April 24. A recession of two cents to 57⅝ was recorded on April 25, but the advance began again carrying cash wheat to 64 cents on May 2, a gain of 14⅜ cents in a month.

AUSTRALIA HOLDS MARTS IN ORIENT

Chinese War and Sterling Fluctuations Have Affected Futures

Australia has been able to continue substantial sales of wheat to the Orient despite the advent of the Argentine into the market. War in China and movements of sterling exchange have caused uncertainty in quotations on Australian wheat futures, according to the Canadian Trade Commissioner at Melbourne.

Prices at Australian country stations have remained at from 2s. to 2s. 2½d., Australian currency, depending on the distance to the shipping port. At these prices, growers have been reluctant to dispose of their wheat. There is estimated to be 1,500,000 tons (55,500,000 bus.) of the crop still to be sold. More than half of the sales to March 15 had been made to other than European buyers, chiefly in the Orient.

It is estimated that there will be little change in the acreage sown to wheat for the next crop. More rain is required in preparation for ploughing.

Australian milling companies have been working to capacity in execution of orders which will keep them fully occupied until the end of April. Commitments beyond April are less certain. Exports of flour to March 15 were slightly lower than in 1931-32, but are about 35 per cent above those in the same period of 1930-31.

Winnipeg Grain Prices

Week to May 2

Crop year from Aug. 1, 1932 High	Crop year from Aug. 1, 1932 Low		Open Apr. 26	High for week	Low for week	Close May 2
		Wheat				
.67⅝	.40½	May	.57½	.61½	.55¾	.61⅛
.62⅞	.41¾	July	.58¾	.62⅞	.57	.62½
.65	.46⅝	October	.60¾	.65	.59	.64⅝
		Oats				
.29½	.21⅛	May	.25¼	.27¼	.25⅛	.27¼
.28	.21½	July	.25¾	.28	.25⅝	.27¾
.27⅝	.21⅞	October	.26	.27⅝	.25⅝	.27⅝
		Barley				
.38½	.26⅛	May	.33	.34⅞	.32⅝	.34⅛
.36⅛	.26	July	.33¾	.36⅞	.33¼	.34⅞
.37⅞	.27¼	October	.35½	.37½	.35	.37⅝
		Flax				
1.00	.71¼	May	.89	1.00	.85½	.99½
1.01½	.71⅝	July	.91	1.01½	.87½	1.01¼
1.04¼	.76	October	.94	1.04¼	.90	1.03⅝
		Rye				
.42⅞	.30¼	May	.39	.41	.37½	.40⅝
.42⅝	.31	July	.40	.41⅝	.38⅝	.41⅝
.44¼	.34	October	.41⅛	.44	.40⅝	.43⅛

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Country Elevators—Commission Merchants—Future Orders—Domestic and Steam Coal—Flour and Feed
OFFICES:
WINNIPEG — EDMONTON — CALGARY — FORT WILLIAM — VANCOUVER
SEARLE TERMINAL LIMITED
WINNIPEG - FORT WILLIAM

McCabe Bros. Grain Co.
LIMITED
WINNIPEG, MAN.
GRAIN COMMISSION MERCHANTS
Shippers and Exporters
All Grains-Sacked Feeds
Operating Country Elevators
MANITOBA
SASKATCHEWAN
ALBERTA
Branch Offices:
DULUTH — MINNEAPOLIS

Grain Merchants
Shippers & Exporters
Owning and Operating
Terminal Elevator at Port Arthur
(Capacity 5,500,000 bushels)
Over 250 Elevators in Western Canada
Est'd 1857
JAMES RICHARDSON & SONS
LIMITED
WINNIPEG - KINGSTON - MONTREAL - VANCOUVER - CALGARY - EDMONTON - MOOSE JAW - SASKATOON - REGINA - TORONTO

A. J. Pattison, Jr. & Co. LIMITED
(Established in 1907)
CORPORATION BONDS
3rd Floor, Royal Bank · Toronto, Can.

FREIMAN SHOWS PREF. DIVIDEND WAS NOT EARNED

Report Gives Little Information to Shareholders

Few Canadian companies that issue an annual statement give less information in a report than is contained in the annual statement of A. J. Freiman Ltd., which operates departmental stores in Ottawa, Pembroke and Renfrew, Ont. No income and surplus account has been issued for the last three years, the amount of reserves for bad debts and for depreciation of fixed assets is not stated and there is no statement by the president that would indicate what the results for the last year have been. The auditors, Denison, Holcomb & Armstrong, state that the balance sheet truly reflects the company's condition at February 1, 1933, subject to their report of April 1. No indication is given as to the content of this report.

Surplus has been reduced by $75,282 to $962,234. Preferred dividends, which have been paid to date, would have amounted to nearly $56,000 and special reserve for redemption of preferred stock was increased by $7,286 so that before provision for these items it would appear that the company had a loss. In the year ended January 31, 1932, surplus was increased by $44,358.

Bank Loan Down

Working capital is reduced by $90,000 although the ratio of current assets to current liabilities is higher. Cash is down to $43,057 from $48,459; receivables, after unstated reserve, are down to $906,673 from $1,092,593; inventories are down to $749,881 from $893,146 and cash surrender value of life insurance has been increased by $19,950 to $134,471. Bank loans are down to $552,000 from $743,000 and accounts payable are unchanged at $127,635. Taxes payable are down to $11,179 from $34,120.

Working capital position is as follows:

Working Capital, as at February 1

	1933	1932
Current assets	$1,834,082	$2,148,719
Current liabilities	700,332	925,431
Working capital	$1,133,750	$1,223,288
Ratio	2.61—1	2.32—1

There has been no change in net book value of land and buildings which are carried at $1,639,376 while furniture and fixtures amount to $150,286. Mortgages payable have been reduced to $529,750 from $547,000. There are 9,280 shares of six per cent preferred stock outstanding, a reduction of 91 shares in the year while special reserve for redemption of preferred stock amounts to $60,984. There are 85,000 shares of common stock outstanding.

NATIONAL BREW. MAKES SHIPMENT TO UNITED STATES

Company Does 90 Per Cent of Its Sales in Quebec

From Our Own Correspondent

MONTREAL.—A car load shipment of ale to the United States has already been made by National Breweries and others will be undertaken in the future, it was stated by Norman J. Dawes, president of the company, at the annual meeting of shareholders. Satisfaction was expressed that the United States had adopted its present policy in respect to the sale of beer, and Mr. Dawes indicated that the most fruitful business would be in satisfying the demand which currently existed before brewers of the United States were in a position to fill domestic requirements. Taxes and duties on export shipments were quite heavy, he said, but a compensating factor found in the rebate of the excise tax on Canadian brews exported.

An interesting point brought out at the meeting was the statement that between 89 and 90 per cent of the business of National Breweries is done in the Province of Quebec. Stability of this market is indicated by the fact that earnings of the company have held up relatively well and dividends of $1.60 a share on the common stock have been maintained. In 1932, earnings after all charges were equal to $1.62 a share on the common stock of which there are 721,372 shares outstanding.

Claim Taxes Are Great

Reference was made to taxation and it was stated that the possibility of lowering beer prices at this time was precluded by the increased taxation on the brewing industry. The industry, it was stated, was the most heavily taxed of all, and 40 per cent of the gross of the company was absorbed by this means.

At the meeting it was indicated that there had been an increase of more than 800 shareholders on the list of the company in the last year. Reports were approved and the directorate re-elected without change.

BREWERIES IN WEST EXPECTING ORDERS FROM U. S. POINTS

H. F. Reifel Sees Good Spirits Market If 18th Amendment Replaced

From Our Own Correspondent

VANCOUVER.—Orders from the United States may have an important effect on stocks of Western Canadian breweries, although it is still too early to determine whether this business will last longer than is required to get United States brewing plants into adequate production.

Henry Reifel, president of Brewers & Distillers of Vancouver, Ltd., believes that there may be good business for distillers in Canada for a considerable period if the eighteenth amendment is repealed.

Commenting on conditions generally, Mr. Reifel stated that a reduced profit was made in 1932 in both beer and spirits due to a reduction in prices received from the various provincial liquor commissions. Volume of consumption had also decreased owing to generally depressed conditions. So far as export trade was concerned, he said that the policy of his company was not to push sales beyond keeping the brand before the public, because of low prices.

Shows Profit

While the company reports an operating profit for 1932 considerably less than in the previous year net profit is shown at $86,854, compared with a net loss in 1931 of $69,060. The explanation lies in the fact that in 1931 extraordinary write-offs were made on inventories of spirits on hand to conform with the heavy drop in prices that year. No corresponding item appears in the statement last year, with the result that the net profit of $86,854 is added to surplus.

The balance sheet shows current assets at $4,049,956 compared with $4,416,894 at the close of 1931.

Reduction in the excise duty on spirits, resulting in lower sales price, is expected to be reflected in increased consumption.

FRONTENAC BREW. PROFITS ARE LOWER

Balance Sheet Still Shows Lack of Working Capital

From Our Own Correspondent

MONTREAL.—Operations of Frontenac Breweries Ltd., subsidiary of National Breweries, in 1932 resulted in a profit of $43,910 compared with $81,642 in the previous year. After provision for bond interest and depreciation, net loss was $90,492 against a net loss in 1931 of $57,403. Deficit at profit and loss now totals $524,896.

Following are details of profit and loss for the past two years:

	1932 $	1931 $
Trading profit	43,910	81,642
Less:		
Bond interest	53,545	54,763
Depreciation	80,857	84,282
Loss for year	90,492	57,403
Add previous loss	434,404	377,001
Deficit forward	524,896	434,404
Working capital:		
Current assets	588,974	606,567
Current liabs.	702,607	686,658
Working capital	*113,633	*80,091

*Excess of current liabilities over current assets.

Balance sheet shows cash higher by $14,000 at $59,351 and an increase of $5,000 in accounts receivable which totalled $217,868. Inventories are down $39,000 at $301,154 while investments are slightly higher at $10,600. Goodwill, trademarks, etc., are unchanged at $356,874 and fixed assets are unchanged at $2,272,928.

In liabilities demand loans have been increased by $35,000 to $606,214. Accounts payable are down $18,000 at $92,028. During the year there were redeemed $21,300 of 6 per cent first mortgage bonds, leaving $872,900 outstanding. Capital structure is unchanged.

Producers Urging Milk Be Classed as Utility

Demands by some Ontario, Alberta and Quebec producers at the federal probe into milk prices that milk should be classed as a public utility and provincial commissions fix prices to consumers and producers have a greater chance of receiving consideration because state commissions have recently been appointed in some of the states south of the international boundary.

As the first fruit of the recent New York State milk price legislation there has been an advance of one cent a quart to eight cents to stores in the Brooklyn and Long Island areas, Kings, Queens and Nassau counties by National Dairy Products Corp. and by the Borden Company. This Long Island area has been the theatre of one of the most drastic price wars in the United States. It was brought about by under-cutting by independent dealers who bought surplus milk and sold it to retail stores at considerably less than prices of the established distributors. This is much the same situation as has been described by many witnesses in Montreal and as shown previously at Winnipeg but in Montreal the established distributors in most cases met the lower prices offered by independents to the retail stores.

In New York State the milk commission has forbidden the sale of milk at prices below the general prevailing levels which are specified. As a result there has been no recent price cutting in New York City. Price unsettlement is still widespread in nearly all important dairy states where surplus milk supplies are most unwieldy. It is felt that most of the dairy states including Illinois, Wisconsin, and Ohio, will follow the New York example.

In Canada the most severe price war probably occurred in Winnipeg. So severe was it that the Public Utilities Commission was placed in control of the situation and specified prices. These prices have not been entirely satisfactory to a number of the companies involved, but for the time being at least the Commission has improved prices for the producer.

The National Dairy Council at its recent meeting in Toronto passed a resolution favoring milk being handled as a public utility with a commission setting the price for both producer and consumer.

WEEK'S CANADIAN STOCK AND BOND QUOTATIONS

Montreal, Toronto and Curb Markets

WEEK ENDING MAY 1

Range 1933 High	Low	Divd. Rate in $	Yield in % Apr. 29		Sales	Close Apr. 24 or (—last)	Week Ending May 1— High	Low	Close
				A					
.50	.12			Abitibi	....	.15			
2¼	1			Do. pref. 6%	50	1	1½	1½	1½
x80	80	7		Acme F. D'y p					
x5	4½			Agnew Surp.					
60	60	7	11.7	Do. pref.		60			
5¼	3¼			Alta. Pac. Gr.		5¼			
25	20			Do. pref.	20	24	21½	21½	21½
x3½	1½			Amal. Electric					
7	3			Do. pref.		7			
†3¼	3½			Anglo. N. Hold.					
.25	.15			Asbestos		.25			
.60	.50			Do. pref.		.50			
6¼	3½			Assoc. Brew.	420	5	6½	5¼	6¼
72	65	7	10.8	Do. pref.	5	65	65	65	65
x3	3			Assoc. Can.					
†69	65			Assoc. Tele.					
				B					
130	127	10	7.9	Bk. Can. Nat.	46	128	128	127	128
189	150	8	4.9	Bk. Montreal	533	150	164	150	163
265	228	14	6.1	Bk. N. Scotia	192	236	233	228	229
172	151	10	6.4	Bk. Toronto	57	153	156	151	156
10	10			Barcelona	....	10			
2½	1			Bathurst Pr.	100	1½	1½	1½	1½
x1½	1½			Do. (B)					
†26	26			Bawif Grain					
20	20			Do. pref.		20			
4	3			Beath & Sons		3			
5	3¼			Beatty Bros. A		4½			
57	53	6	11.3	Do. pref.	10	55	53	53	53
1.50	.60			Beauharnois	8767	.60	.80	.60	.80
x63	60			Belding Cort.					
89	87½	7	8	Do. pref.	6	89	87½	87½	87½
100	80	6	7	Bell Telephone	953	86	87	84½	86
3¼	3¼			Biltmore Hats		8½			
65	62	7	11.3	Do. pref.		62			
x4	1½			Bissell, T. E.					
†97	88			Do. pref.					
1½	1			Blue Ribbon	180	1	1½	1½	1½
17½	10	2	11.4	Do. pref.		17½			
20	18½	2	10.9	Brant Cd. pf.	200	19	18½	18½	18½
10⅜	7			Brazilian Tr.	22846	9½	10½	9½	10½
1.00	.55			Brew. & Distil.	65	.85	1.00	1.00	1.00
2.00	.12			Brewing Corp.	7050	.30	2.00	.30	1.50
15½				Do. pref.	5165	5½	15¼	5½	13⅜
10⅜	7½	80c	8.4	Brit. Amer. Oil	13359	10	10	9	9½
2	1			B.C. Packers	1020	2	2	1½	1½
12½	6			Do. pref.	10	10½	11½	11½	11½
18	14	2	11.8	B. C. Power A	681	17½	18	16¾	17½
4½	3			Do. (B)	340	4	4	4	4
4½	3			Bruck S. Mills.					
12½	10½	1	8.9	Building Prod.	290	11½	12	11	11½
28	20	2	7.8	Burt, F. N.	610	25	26	25	26
				C					
x125	120	6		Calgary Pr.					
2¼	1½			Canada Bread	60	2	2¼	1½	2¼
68	40	4		Do. pref. A.		40			
10	10			Do. pref. B.		10			
9½	5¼	60c	7.1	Canada Bud	7100	6	9¼	6	8½
5¼	2¼			Canada Cement	14259	3½	5½	3½	5
30	12			Do. pref.	2246	17	30	16	24
b11½	7½	1	9.1	Canada Dry	5900	10¼	11½	10	10½
4	2			Can. Forg. (A)		4			
x7¼	2			Do. (B)					
x15	15			Canada Iron					
†80	75			Do. pref.					
425	425	20	4.7	Canada Life		425			
19½	13½	1.50	7.9	Can. Malting	4460	17	19¾	16½	19½
13	12	80c	6.7	Can. Nor. Pr.		12			
75½	65	7	9.3	Do. pref.	50	75	75½	75	75½
†6				Can. Paving					
10	4			Do. pref.		4			
153	120	10	8.8	Can. Perman.	74	122	122	120	120
x1.00	.50			Can. Pr. & Pa.					
1¾	1½			Can. Steamsh's	95	1½	1½	1½	1½
5½	2			Do. pref.	380	3	5½	3	5½
16	13¼	1.60	10.3	Can. Vinegars	280	16	16	15½	16
x55	28½			Can. W. Cable					
8⅜	7			Do. (B)		7			
x1½	1½			Can. Bakeries					
5	5			Do. pref.		5			
140	119	8	6.5	Can. Bk. Com.	269	122	123½	119	123
14½	9	60c	5.4	Can. Bronze	165	10	11	10	11
81	70	7	10	Do. pref.		70			
4½	2½			Can. Canners	400	3	4½	4	4½
55	48	6	12.5	Do. 1st pfd.	1	48	48	48	48
6	3½	20c	3.5	Do. 2nd pfd.	1170	4¼	6	4½	6
4½	3			Can. Car & F'y	2971	3¼	3½	3¼	3½
12	9½	1.75	15.2	Do. pref.	1450	10½	11½	10½	11½
9½	6½			Can. Celanese	105	7½	8¼	8	8
84	70	7	9.3	Do. pref.	10	75	75	75	75
20	8	2	13.3	Can. Convert.	107	15	20	15	20
†50	45			Can. Cottons					
47	47	6	12.8	Do. pref.		47			
17½	10	1		Can. Dredge	2725	14	17½	13½	16½
†92	92	7		Do. pref.					
x68	60	6		Can. Fairb. pf.					
2¼	2			Can. For. Inv.	35	2¼	2	2	2
85	85			Do. pref.		35			
107	100	4	3.7	Can. Gen. Elec.		107			
56¼	50	3.50	6.7	Do. pref.	260	52	52½	52	52½
x3½	3¼			Can. G. Inv. T.					
42½	34	6	14.4	Can. Hyd. E. p	258	41	42¼	40	41½
2¾	1½			Can. Ind. Alc.	1960	2	2¾	2	2½
1.75	.90			Do. (B)	100	1.00	1.00	1.00	1.00
†5.00	3.95			Can. Int. I. Tr.					
†70	64½			Do. pref.					
x21	15			Can. Lt. & Pr.					
x1½	1			Can. Locomo.					
x25	5			Do. pref.					
b2⅜	1½			Can. Marconi	54500	1½	2¼	1½	2
10	6¼	50c	6.2	Canadian Oil	70	9½	8	8	8
96	80	8	10	Do. pref.	15	84	80	80	80
16½	9			Can. Pacific	23845	13	14½	12	14½
1	1			Can. Vickers		1			
5	5			Do. pref.		5			
3	1⅛	20c	10	Can. Wineries	175	2	2	1½	2
5	3			Can. Wire Box	100	5	5	5	5
8	5¼			Catelli Mac A.	10	6	6	6	6
†5	5			Do. (B)					
†301	290	8		Cent. Can. L'n					
.90	.50			Chem. Research	1275	.70	.79	.70	.75
.80	.20			Claude Neon	50	.20	.25	.25	.25
7	3			Cockshutt Plow	2590	6¼	7	5½	7
¾				Comm. Alcohol		½			
1	1			Conduits		1			
†94	84			Do. pref.					
6	2			Cons. Bakeries	755	5½	5¾	4½	5½
1½	¼			Cons. Indust.	20	¼	¾	½	¾
x4	4			Cons. Paper					
5	3			Cons. Press		3			
x35	30			Cons. Sand. p					
95	54	10%*		Cons. Smelters	19693	86¼	95	83½	93
181	170	10	5.7	Consumers' Gas	102	177	177	174	175
†85	80			Cooksville Co.					
†85	85			Do. pref.					
†20½	15			Corpor. Steel					
†90	90			Corr. P. Box p					
3½	1½			Cosgrave Brew.	55	1½			
3	2			Cosmos Imp.	10	2	3	3	3
47½	39	3.50	8.9	Do. pref.		39			
3¼	1½			Crown Dom. Oil		2¼			
20	8			Crow's N. Coal	50	11	8	8	8
				D					
1½	1½			David & Fre. B.		1½			
†12½	12½			De Havilland					
x15	10			Do. pref.					
†9	5			Disher Steel					
†10	10			Do. pref.					
5¼	4			Distill-Seagram	4018	4½	5¼	4½	5
5	5			Dodge (A) pf.					
x2	1½			Do. (B)					
148	124	10	8	Dom. Bank	21	125	125	124	125
19	12½	2	11.3	Dom. Bridge	5478	16½	19	16½	18½
x4	4			Dom. Coal					
14	8			Dom. Engineer.	40	12	14	13½	13½
60	35	5	8.6	Dom. Glass	70	50	60	58	58
102	98	7	6.9	Do. pref.		101			
2½	1			Dom. Motors	250	1	1	1	1½
2	1½			Dom. Pr. Stubs		2			
1.12	.50			Dom. St. & C B	1061	.55	.85	.55	.85
19	12½	1.20	6.5	Dom. Stores	2007	17½	19	17¼	19
1½	1			Dom. Tar & Ch.	25	1	1½	1½	1½
11	5			Do. pref.	25	10	11	11	11
52½	39	4	9	Dom. Textile	662	43	45½	42½	45½
97½	93½	7	7.2	Do. pref.	50	93½	97	95	97
†12	10			Donnacona					
1½				Dryden Paper	150	1½	1½	1½	1½
1	1			Duff. Paving		1			
10	5			Do. pref.	10	8	10	10	10
				E					
x30	3			East. Koot. Pr.					
†97	94½			Do. pref.					
5	1¾			East Dairies	90	2	2	2	2
x9½	9½			East. Steel					
x74	74	7		Do. pref.					
†34	34	2		East. Theatres					
†85	80	7		Do. pref.					
x1	1			Easy Washer					
8	7	75c		Economic Inv.		8			
†15	15			Edmonton D'y					
†80	78½	6.50		Do. pref.					
¾	¾			Enam. & Heat.					
8	5			Eng. Electric	35	8	8	8	8
1½	1¼			Do. (B)		1½			
				F					
4	4			Fam. Players		4			
x10½	7¼			Do. Vot. Tr.					
11	8⅜	1	9.1	Fanny Farmer		11			
28	23	2.40	8.7	Do. pref.		27½			
‡53½	7½			Firstbrook Box					
8	6			Ford Motors A	4078	7½	7¾	6¼	7¼
1½	1¼			For. Pr. Secs.		1½			
6	5			Foundation Co.		20			
.30	.25			Fraser Cos.	110	.30	.25	.25	.25
90	90			Fr.& For.Inv. p		90			
†8	5			Frost Steel					
x37	35			Do. pref.					
				G					
1.50	.70			Gen. St. Wares	810	1.25	1.50	1.12	1.50
68	40	2.40	3.5	Goodyear Tire	325	62	68	61	68
91	80	7	7.9	Do. pref.	65	86	88½	86	87½
†93½	93½			Gould Pumps, p					
x8	5			Gt. W. Saddlery					
7¼	4			Do. pref.					
x106	100	7		Gurd, Chas.	1420	4	6	4½	6
2¼	1½			Do. pref.					
				Gypsum, Lime.	3320	2	2½	2	2½
				H					
4½	2¼			Ham. Bridge	485	2¼	4½	3¼	4½
x60	44½			Do. pref.					
5½	4			Ham. Cot. pf.		4			
2½	2			Ham. U. Theat.		2			
x53	50	7		Do. pref.					
‡50	50			Hillcrest Coll.					
‡91	91			Do. pref.					
3	2			Hinde & Dauch	100	2	3	2	3
†75	75			Holt Renfrew					
†96¼	90			Do. pref.					
½				Honey Dew					
7	5			Do. pref.		6			
3	1¼			H. Smith Pap.	10	3	2¼	2¼	2¼
15	8			Do. pref.	25	8	15	15	15
17	14½	2	12.7	Humberstone S		15¼			

Range 1933 High	Low	Divd. Rate in $	Yield in % Apr. 29		Sales	Close Apr. 24 or (—last)	Week Ending May 1— High	Low	Close
8	4½	50c	11.1	Hunt (A)		4½			
5	5	50c	10	Do. (B)		5			
120	80	7	8.7	Huron & E. Mt.	12	85	80	80	80
18	13			Do. 20% pd.	43	16	13	13	13
6	6			Hydro Electric		6			
				I					
158	123	10	7.8	Imperial Bank	97	126	131	126	131
11¼	7¾	50c	5	Imperial Oil	23917	10½	10½	9¾	10¼
9	7	35c*	4.1	Imperial Tob.	1235	8½	9	8½	8¼
†80	80	8		Inter. Coal. p					
x6	6			Int. Hyd. E. A.					
102	98	7	6.9	Inter. Mill. pf.	5	101	102	102	102
85¼	84	6	7	Do. Series A		85¼			
16.25	8.00			Inter. Nickel	152205	15.00	16.25	14.20	16.00
x4	4			Inter. Paints					
b1¾	1¾			Int. Pa & Pr A	900	1	1½	1	1½
b1½	¾			Do. (B)	2400	½	¾	½	¾
b1½	¾			Do. (C)	1400	¾	¾	¾	¾
b4¾	2			Do. pref.	4200	3	4	3	4
15¼	10¼	1	6.6	Inter. Pete.	11521	15	15¼	13¼	15
x2½	2½			Inter. Power					
10	8			Do. pref.	4	10	8	8	8
7	5¼			Int. Util. (A)	25	6	5½	5½	5½
1¾	1			Do. (B)	120	1	1½	1	1½
				J					
†40	40	1		Jam. Pub. Ser.					
75	70	7	10	Do. pref.		70			
				K					
1½				Kelvinator		1			
57	57	7		Do. pref.		57			
				L					
9	5			Lake of Woods	455	8½	9	8½	8½
40	30			Do. pref.	50	30	40	40	40
80	80	6	7.5	Landed Bank.		80			
40½	36	3	7.7	Laura Secord	90	39	39½	39	39
1½	1½			Lindsay, C. W.		1½			
30	25			Do. pref.	96	25	30	25	30
12	10½	80c	6.7	Loblaw (A)	1528	12	12	11½	11½
11½	10½	80c	7.6	Do. (B)	500	11	11	10¾	11
2⅝	2½			Loew's, London					
				M					
†25	19			MacKin. Steel.					
†95	90			Do. pref.					
3½	3¼			Manitoba Pr.		3½			
x5	2			Maple Leaf					
8	5			Do. pref.	35	5	8	7	7
6	6			Marcus Loew's		6			
35	35			Do. pref.		35			
4	2			Massey-Harris	4790	3½	4	3¼	3½
10	7	60c	6.5	Do. pref.	4272	9½	10	9	10
61	54½	6	10	McColl Fron.	152	59	60	59	60
†45	35			Do. pref.					
†35	25			Mexican L & P					
†89	58½			Mercury Mills.					
†40½	40			Do. pref.					
x105	105	7		Mitchell, J. S.					
4½				Do. pref.					
†1	2			Mitchell, Robt.	53	4	4½	4½	4½
20	1			Monarch Knit.					
x75	20			Do. pref.	25	20	20	20	20
x75	45			Montreal Cot.					
¼				Do. pref.					
x11	65			Montreal Exhib					
5	¼			Mont. Is. Pr.					
32½	26½	1.50	4.8	Mont. L. & Pr.	11262	29½	31½	28½	31
42	40	3+.25	8.1	Montreal Loan	18	42	40	40	40
43	42	3.20	7.6	Montreal Tele.	11	42	42	42	42
100	70	9	12.8	Montreal Tram	128	70	73	70	70
7¼				Moore Corp.	25	6	7½	7½	7½
79½	65	7	10.8	Do. pref. (A)	5	65	65	65	65
86½	70	7	9.7	Do. pref. (B)	75	72	72	72	72
†10	10			Mt. Royal Hot.					
†49	49			Do. pref.					
1				Muirheads		1			
7	5			Do. pref.		7			
				N					
19½	14½	1.60	8.4	Nat. Breweries	6893	18	19½	17½	19¼
30	27	1.75	5.7	Do. pref.	98	30	30	30	30
x3	3			Nat. Brick					
				Do. pref.					
16	14	2.40	16	N. Sew. Pipe A	25	15	15	14	14
9	5			Nat. Steel Car.	1955	7	9	7½	8½
212	185	10	5.4	National Tr.	4	185	185	185	185
x10	10			Niag. W. Weav					
x20	16			Do. pref.					
1.50	.75			North Star Oil	310	.75	.75	.75	.75
3.00	1.75	35c		Do. pref.		2.25			
‡25	25			N.S. Steel, pf.					
				O					
135	100	8	6.4	Ogilvie Flour	180	125	135	120	135
115	108	7	6.2	Do. pref.	110	111	113	112	112
5¼	4			Ont. Eq. 10% p		5¼			
105	104	6	5.8	Ontario Loan		104			
x7	5			Ont. Silknit					
†16	13			Ont. Steel					
‡105	105			Do. pref.					
¾				Orange Crush		¾			
x48	13			Do. (A)					
¾				Do. (B)		¾			
88	84	6	6.8	Ott. L. H. & P.		84			
90	84	6.50	7.7	Do. pref.		84			
8	5			Ott. Traction	10	5	5	5	5
				P					
53½	40	3	6.2	Page Hersey	675	48	50	46	49½
b2⅜	¾			Paramount		¼			
x20	20			Paton Mfg.					
†94	94	7		Do. pref.					
28	20	3	12	Penmans	220	25	25	25	25
75	65	6	9	Do. pref.		66			
9½	8			Photo Eng.	130	9	9½	9	9½
†70	64	7		Porto Rico Pr. p					
b12¼	4			Postal Tele. p					
8¾	6			Power Corp.	1097	7¼	7¾	6½	7½
35½	28½	6		Do. pref.		28½			
1	1			Prairie C. Oil.	10	1	1	1	1
16	8			Pressed Metals	125	8	9½	8	9½
4½	2			Price Bros.		2			
x2	2			Do. pref.					
				Q					
14	11	1	8.3	Quebec Power	295	12	12½	12	12½
				R					
95	85	7	8.2	Real Estate L'n		85			
.65	.50			Regent Knit.		.50			
x10	5¼			Reliance Grain					
8½	7	1	11.8	River. S. Mills		8½			
5	5	1	20	Robinson Cone		5			
1½				Rogers Majes.	50	1½	1½	1½	1½
143	123	8	6.2	Royal Bank	332	124	129	124	127
†84	75			Ruddy, E. L. p					
x33	32½			Russell Motor					
45	30	4	13.3	Do. pref.		30			
				S					
x4	2			Sarnia Br. A.					
x1	1			Do. (B)					
4½	2½			Serv. Station	370	3	4½	2½	4½
25	16			Do. pref.	20	21	16½	16	16
18¾	9¼	50c	4.2	Shawinigan	7243	12	13	10½	12½
10	4			Sher. Wms.	5	7	10	10	10
60	39			Do. pref.	38	40	40	40	40
x17	5			Simon & Son					
x80	60			Do. pref.					
14	6			Simpson, Ltd.	36	7½	14	9	14
†44½	36			Do. (A)					
x9	9			Do. (B)					
74	46½	6	12.9	Simpson, R., p.		46½			
16	12	1	8.3	So. Can. Pr.	140	12¼	15	12	15
79	68	6	8.6	Do. pref.	63	70	70	70	70
.35	.15			St. Law. Corp.	305	.25	.30	.30	.30
1¾				Do. (A)	25	1½	1½	1½	1½
20	15	1.50	7.5	St. Law. Flour	5	15	20	20	20
95	92	7	7.4	Do. pref.	60	92	95	92	95
4½	2¼			St. Law. Pa. p		3			
5	4	50c		Stand. Chem.	15	4	4	4	4
1½				St. Pav. & Mat.	20	1	1½	1½	1½
16	16			Do. pref.	170	16	16	16	16
2½	1			Stand. Steel		2½			
†35	30			Do. pref.					
22	14½	1.20	5.6	Steel of Can.	6381	20½	22	19½	21½
28½	24½	1.75	6.5	Do. pref.	310	27	28	26¾	28
x1¾	1			Sterling Coal					
x300	200			Sun Life Ass.					
14	11	1	7.1	Sup. Pete. ord.	275	14	14	13½	14
13	11½	1	8.5	Do. com.		11½			
97	93	7	7.3	Do. pref.		96			
				T					
40	40			Tamblyn		40			
88	82	*87½c	8.5	Do. pref.		82			
10	10			Thayers, pf.		10			
8½	7½			Thrift Stores	1045		8½	7½	8½
21¼	21¼	1.62½		Do. pref.	10	21½	21¼	21½	
3	1			Tip Top Tailors		3			
35	35			Do. pref.		35			
‡22	19			Tooke Bros.					
15	10			Do. pref.		15			
15	12½	1		Tor. Elevators		15			
167	138	8	5.2	Tor. Gen. Tr.	1	160	155	155	155
98¼	90	6	6.4	Toronto Mtge.	10	90	95	92	92
x¼				Traymore					
2	2			Do. pref.		2			
110½	107	7	6.4	Tuckett Tob. p		110			
1⅝	1			Twin City					
b9½	5¼			Do. pref.		1½			
				U					
4	2½			Union Gas	80	2½	2½	2½	2¾
x100	85			Union Trust					
†8	5			United Fuel					
9½	4½			Do. pref.					
7	7			Un. Amuse. A	25	4½	4½	4½	4½
20	19½	2	10	United Secs.		20			
				V					
2½	2			Viau Biscuit	30	2	2½	2½	2½
x75	59			Do. pref.					
				W					
7	4			Wabasso Cot.		40			
6¼	4			Walker-Good.	6500	4¼	5	4½	5
11	9½	1	9.5	Do. pref.	2103	10½	10⅜	10	10⅜
1¼	1¼			Waterloo Mfg.		1½			
x80	75	7		W. Koot. Pr. p					
5	4			West. C. Flour	35	4½			
55	53½	3	5.6	Do. pref.					
11	8			West. Grocers	30	9¼	11	10	10
55	54	7	12.9	Do. pref.		54			
†91	85			W. Steel Pr. p					
20¼	16½	1	5.9	Weston Bisc.	20	12	17	16½	16½
71	67	7	10.4	Do. pref.	15	67	67½	67	67½
3	3			Windsor Hotel		3			
10	5			Do. pref.		5			
3¼	1			Winnipeg Elec.	398	2½	3	2	3
1½	¾			Do. pref.	25	3¼	3¼	3¼	3¼
†46	46			Woods Mfg. p.					
				Z					
x1	1			Zimmerknit, c.					

x Quotations for 1932. No sales recorded in 1933 to date.
† Quotations for 1931.
‡ Quotations for 1930.
b New York Quotations.
* Stock dividend.
• On account of arrears covering quarter ended June 30, 1932.
▪ Plus final dividend of 17½c, paid Mar. 31.
■ Covers payment due Jan. 2 last and deferred; paid Mar. 15, 1933.

Active Unlisted Bonds

(Furnished by A. J. Pattison, Jr. & Co., Limited)

May 2, 1933

	Bid	Asked
Industrial Bonds:		
Abitibi P. & P. 5% 1953	16.50	17.00
Acadia Sugar 6% 1946	84.00	87.00
Alta. Pac. Grain 6% 1946	79.00	82.00
American Sales Book 6% 1939	103.00	....
Arnold Bros. 6% 1947	38.00	....
B. A. Oil 5% 1945	90.00	92.00
Can. Biscuit 6½% 1946	13.00	16.00
Can. Bread 6% 1941	80.00	83.00
Can. Cement 5½% 1947	57.00	59.50
Can. Steamship 6% 1941	22.00	25.00
Can. Bakeries 6½% 1945	45.00	50.00
Can. Canners 6% 1950	74.50	77.00
Can. Copper Refin. 6% 1945	103.00	....
Can. Cottons 5% 1940	83.00	....
Can. Vickers 6% 1947	50.50	53.50
Cons. Invest. 4½% 1959	26.00	....
Cosmos Imp. Mills 6½% 1944	79.00	83.00
Davies, Wm. 6% 1942	88.00	90.00
Debenture & Sec. 4% 1936	52.00	55.00
Dom. Manufacturers 6% 1933	95.00	....
Dom. Tar & Chemical 6% 1949	58.00	60.00
Dom. Telegraph 5½% 1978 "A"	86.00	....
Dom. Textile 6% 1949	98.00	101.00
Dom. Woollens 6% 1948	13.00	16.00
Donnacona Paper 5½% 1948	15.00	17.00
Eaton Realty 5% 1949	80.00	82.00
Famous Players 6% 1948	40.00	43.50
Federal Grain 6% 1949	78.00	81.00
Firestone Tire 7% 1937	110.00	....
Fraser Cos. 6% 1932	9.00	11.00
Fraser Cos. 6% 1950	9.00	11.00
Galt Brass 7½% 1941	....	25.00
Goodyear Cotton 6% 1949	99.00	....
Great Lakes Paper 6% 1950	16.00	17.50
Gypsum, Lime & Alab. 5½% 1948	26.50	29.50
Harris Abattoir 6% 1947	88.00	....
Howard Smith 5½% 1953	58.00	60.00
Loew's Toronto 6% Serial	100.00	....
London Realty 6½% 1950	33.00	36.00
Maple Leaf Milling 5½% 1949	....	30.00
Massey-Harris 5% 1947	55.00	57.50
McColl-Frontenac 6% 1949	84.00	86.50
McKinnon Industries 6½% 1945	94.00	....
Mercury Mills 5½% 1953	....	30.00
Metropolitan Bldg. 7% 1944	80.00	85.00
Northern Ontario Bldg. 6½% 1939	60.00	63.00
Price Bros 6% 1943	25.00	29.00
Richmond Bay 6½% 1947	....	60.00
Simpsons Ltd. 5½% 1949	45.00	50.00
Simpsons Ltd. 6% 1949	51.00	55.00
Steel of Canada 6% 1940	103.00	105.00
Toronto Carpet 6% 1944	75.00	85.00
United Gas & Fuel 5½% 1948	50.00	52.50
United Grain Growers 5% 1948	77.00	79.00
United Grain Growers 5½% 1949	80.00	82.50
Wabasso Cotton 7% 1942	63.00	....
Western Grain 6% 1949	62.00	65.00
Public Utility Bonds:		
Bell Telephone 5% 1955	100.00	103.00
Bell Telephone 5% 1957	100.00	102.50
B. C. Power 5½% 1960	82.00	83.00
B. C. Telephone 5% 1960	84.50	87.00
Calgary Power 5% 1960	75.50	78.00
Can. Northern Pwr. 5% 1953	76.50	80.00
Duke Price Pwr. 6% 1966	59.00	63.00
French Nat'l. Mail S.S. 6% 1952	120.00	....
Gatineau Pwr. 6% 1941 "A"	56.00	58.00
Gatineau Pwr. 5% 1956	75.00	76.00
Maclaren Quebec 5½% 1961	71.00	78.00
Manitoba Power 5½% 1951	27.00	30.00
Montreal Isl. Pwr. 5½% 1957	93.00	96.00
Montreal LH&P 5% 1951	98.50	100.00
Montreal LH&P 5% 1970	98.00	102.00
Montreal Tram 5% 1941 July	96.00	98.00
Montreal Tram 5% 1955	66.00	67.50
Northwest Utilities 7% 1938	89.00	92.00
Ottawa Valley Pwr. 5½% 1970	95.00	97.50
Quebec Power 5% 1968	81.00	83.50
Rio Tramways 5% 1935	96.00	100.00
Shawinigan W&P 4½% 1970	65.00	67.00
Shawinigan W & P 5% 1970	72.00	74.50
Shawinigan W&P 6% 1937	86.00	88.00
Southern Can. Pwr. 5% 1955	97.00	100.00
West Kootenay Pwr. 5% 1956	87.50	90.50
Government, Provincial & Railway:		
C. N. R. 4½% 1951 Dom. Gtd.	98.00	99.00
C. N. R. 4½% 1957 Dom. Gtd.	97.00	98.00
C. N. R. 5% 1969 Dom. Gtd.	102.00	103.50
C. P. R. 4½% 1944	64.00	66.00
C. P. R. 6% 1942	88.00	90.00
Dom. of Can. 5% 1936	102.00	103.00
Dom. of Can. 5% 1941	102.00	103.50
G. T. P. 3% 1962 Dom. Gtd.	79.50	81.00
G. T. P. 4% 1962 Dom. Gtd.	91.50	93.00
Ont. Hydro 3½%, 4%, 5%, 1952 Ont. Gtd.	90.00	91.00
Ont. Hydro 4½% 1970 Ont. Gtd.	97.00	98.50
Ont. Hydro 4% 1957 Ont. Gtd.	89.00	....
Prov. of N. B. 5% 1957	97.50	99.50
Prov. of Ont. 5½% 1947	105.00	106.00
Prov. of Ont. 5% 1948	101.00	102.00
Prov. of Ont 5½% 1946	105.00	106.50

Unlisted Canadian Stocks

(Furnished by A. J. Pattison, Jr. & Co., Limited) Investment Bankers, Toronto

May 2, 1933

Industrial Stocks:	Bid	Asked
Acadia Sugar c.	.60	.80
Acadia Sugar 6% pfd.	2.85	3.15
Acme Farmers Dairy 7% pfd.	50.00	....
Acme Glove pfd. bonus c.	5.50	8.00
Agnew Surpass 7% pfd	59.50	65.00
Allens London 7% pfd. bonus c.	30.00	....
Allens St. Cath. 7% pfd. bonus c.	30.00	....
Allens Toronto 7% pfd. bonus c.	16.00	....
Andian Nat. Corp.	20.50	22.50
Atlantic Sugar "A" pfd.	70.00	77.50
B.C. Pulp & Paper pfd.	4.50	8.00
Burns pfd. bonus com.	2.00	2.50
Canada & Dom. Sugar	24.50	....
Canada Mach. c.	2.50	5.00
Canada Mach. pfd.	16.00	....
Canada Pack. c.	17.50	20.50
Canada Pack. pfd.	80.00	92.00
Canada Starch 7% pfd.	62.50	68.00
Canada Tea 7% pfd.	....	48.50
Canada Wire & Cable 6½% pfd. W.W.	30.00	35.00
Can. Industries c. "A"	72.00	....
Can. Industries c. "B"	71.00	74.00
Can. Industries 7% pfd.	116.50	120.00
Can. Westing.	38.00	42.00
Claude Neon Gen. Adv. Units	....	13.50
Cons. Div. Standard Sec. pfd.	5.25	....
Dodge Mfg. "A" pfd.	6.00	....
Dom. Foundries & Steel 8% pfd.	....	59.00
Dom. Foundries & Steel c.	2.00	4.25
Dom. Mfrs. 7% pf.	67.25	....
Dunlop Tire 7% pfd.	33.50	40.00
Eastern Dairies Ltd. 7% pfd.	....	46.50
Edmonton Stockyards Units	38.00	52.00
Federal Grain 6½% pfd.	18.00	....
A. J. Freiman pfd.	30.50	40.00
Gen. Steel Wares pfd.	5.25	6.00
Goderich Elevator & Transit	4.00	4.75
Greening Wire 7% pfd.	....	54.00
Guelph Carpet 6½% pfd. bonus	62.00	72.00
Guelph Carpet c.	3.75	....
Inter. Proprietaries "A"	22.25	22.75
Langleys Ltd. 7% pfd.	20.00	23.50
Loew's London c.	.50	.90
Loew's London 7% pfd.	3.30	4.25
Loew's Toronto 7% pfd.	....	60.50
Massey Harris 5% pfd.	16.00	....
Medical Arts pfd. bonus c.	95.50	....
Mount Royal Hotel com.	.35	.60
Mount Royal Hotel 6% pfd.	2.25	3.25
Nat. Grocers c.	.55	1.00
Nat. Grocers 7% 2nd pfd.	42.00	45.00
Neilson, Wm., c.	3.75	....
Paramount Kitchener pfd.	26.00	....
Paramount Oshawa com.	1.50	....
Paramount Oshawa pfd.	26.00	....
Provincial Paper 7% pfd.	30.50	32.50
Reliance Grain 6½% pfd.	42.50	....
Rolland Paper 6% pfd. W.W.	20.00	....
Standard Clay Products c.	....	15.00
Standard Fuel 6½% pfd. bonus	55.25	50.00
Stop & Shop Ltd. com.	1.25	3.00
Supersilk pf. bonus	25.25	30.50

Ind. Stock cont'd.	Bid	Asked
Supertest Petroleum "B"	17.25	20.00
Toronto Elevators 7% pfd.	70.00	72.00
Un. Grain Grow.	10.50	....
Western Grain 6½% pfd. bonus	12.00	16.00
Western Grocers pfd.	54.50	60.00
Willards Choc. pf.	....	14.25
Insurance Stocks:		
Br. Amer. Assce.	32.50	40.00
Canada Life Assce.	....	285.00
Can. Fire Ins.	48.00	54.00
Confederation Life 20% pd.	....	126.00
Continental Life 20% pd.	37.00	44.00
Crown Life Ins.	90.00	110.00
Dom. Fire Ins.	82.50	....
Dom. Life 50% pd.	151.00	220.00
Dom. of Can. Gen. Ins.	....	103.00
Empire Life 25% pd.	8.50	11.50
Excelsior Life 30% pd.	76.00	85.00
Fidelity Ins. Co.	45.25	....
Great West Life Assce.	240.00	250.00
Guarantee Co. of N. A.	240.00	....
Imperial Life	250.00	257.00
Mfrs. Life Ins.	230.00	245.00
Monarch Life 10% pd.	15.00	17.00
National Life 25% pd.	55.00	65.00
Saskatchewan Life 10% pd.	7.00	12.00
Sovereign Life 25% pd.	13.75	18.00
Sun Life Assur.	300.00	325.00
Western Assur. c.	14.00	....
Western Life 20% pd.	7.25	12.00
Trust & Loan Stocks:		
Br. Mtg. & Trust	150.50	160.00
Can. Gen. Invest. Ltd.	3.15	3.50
Chartered Trust	....	61.00
Deb. & Sec. 5% pfd.	10.00	....
Eastern Can. Sav. & Loan	110.00	115.00
Eastern Trust	130.00	140.00
Guelph & Ont. Inv. par $50	....	50.50
Investment Foundation Units	19.00	23.00
Lambton Loan & Savings	53.50	60.00
London & Western Trust	....	70.50
Mtge. Disc. pfd.	1.40	2.00
Premier Trust	75.00	....
Provincial Bank	87.00	93.00
Security Loan & Savings	99.00	....
Sherbrooke Trust	100.50	111.00
Sterling Trust	....	50.00
Traders Fin. c.	....	.55
Traders Finance 7% "A" pfd.	19.00	22.00
Trusts & Guar.	27.00	32.00
Victoria Trust & Savings	130.00	137.00
Waterloo Trust & Savings	....	103.50
Power Issues:		
B.C. Elect. Pwr. & Gas pfd.	87.00	89.00
Calgary Power 6% pfd.	64.00	....
Can. Light & Pwr. com.	20.00	23.50
Can. West. Nat. Gas LH&P c.	21.50	....
Can. West. Nat. Gas LH&P pfd.	67.00	71.00
Maritime Tel. & Tel. c.	7.05	8.25
Maritime Tel. & Tel. 7% pfd.	10.25	11.50
N.B. Telephone c.	6.15	7.50
Nor. Ont. Pwr. c.	9.25	....
Nova Scotia L&P 6% pfd.	67.00	71.00

Recent London Quotations:

Brewers & Distillers	4s. 6d.
Can. & For. Secs.	3s. 6d.
Can. West. Lumber	9d.
Hudson's Bay	17s. 6d.
Do., 5% pref.	70s.
Internat. Holdings	$1
Nfld. Pr. & Pap. deb. stock "B"	90½
Trust & Loan of Can.	6d.

Active Provincial and Municipal Bonds

Quotations furnished by A. E. Ames & Co., Canada Permanent Building, Toronto, Ont.

May 2, 1933

	Rate	Actual Maturity	Next Int. Date	Price	Yield
*Alberta	4½	1 Oct., 1958	1 Oct.	80.00	6.05
Alberta	5	1 July, 1943	1 July	87.00	6.75
Alberta	6	1 Mar., 1947	1 Sept.	95.50	6.49
*British Columbia	4½	1 Oct., 1953	1 Oct.	82.50	5.99
*British Columbia	5	15 Jan., 1948	15 July	87.00	6.35
British Columbia	6	15 Feb., 1947	15 Aug.	97.00	6.33
Manitoba	4	1 July, 1947	1 July	79.00	6.22
*Manitoba	5	2 Dec., 1959	2 June	86.00	6.06
Manitoba	6	1 Apr., 1947	1 Oct	95.00	6.55
*New Brunswick	4	1 June, 1948	1 June	89.30	5.00
*New Brunswick	4½	15 June, 1936	15 June	100.00	4.50
New Brunswick	5½	1 May, 1956	1 May	102.50	5.28
*Nova Scotia	4½	15 Nov., 1948	15 May	98.50	4.64
Nova Scotia	5	1 May, 1943	1 May	100.50	4.93
*Ontario	4½	1 Sept., 1944	1 Sept.	100.00	4.50
Ontario	5	15 Oct., 1948	15 Oct.	102.50	4.76
Ontario	5½	1 Feb., 1947	1 Aug.	106.50	4.85
P. E. I.	4	1 Apr., 1939	1 Oct.	94.85	5.00
P. E. I.	6	1 May, 1947	1 May	107.35	5.25
*Quebec	4½	1 May, 1961	1 May	98.00	4.37
*Saskatchewan	4½	1 Sept., 1955	1 Sept.	79.00	6.25
*Saskatchewan	5	1 Nov., 1959	1 May	85.00	6.15
Saskatchewan	6	15 Mar., 1952	15 Sept.	93.00	6.65
*Newfoundland	5	31 Dec., 1952	30 June	68.00	8.30
*Newfoundland	5½	1 July, 1939	1 July	73.00	11.70
*Newfoundland	6½	30 June, 1936	30 June	82.00	14.05
Cities					
*Montreal	5	1 Sept., 1963	1 Sept.	101.00	4.93
*Toronto	4½	1 Jan., 1955	1 July	97.00	4.72
*Vancouver	5	15 Jan., 1970	15 July	83.00	6.17
Winnipeg	5	1 Mar., 1944	1 Sept.	88.00	6.55
*Edmonton	5½	1 Apr., 1947	1 Oct.	82.85	7.50
Calgary	5	1 Jan., 1943	1 July	79.60	8.00
Halifax	6	1 July, 1951	1 July	107.55	5.35
Saint John	5	15 Dec., 1950	15 June	96.85	5.25
Regina	4½	1 July, 1950	1 July	71.00	7.50
Victoria	5	21 July, 1945	21 July	87.30	6.50
Quebec	5	1 June, 1948	1 June	101.00	4.90

*Payable in New York.

Winnipeg Stock Exchange

(Transactions for week to April 29)

Div. Rate in $	Yield in %		Sales	High for week	Low for week	Close Apr. 29
..	..	Central Manitoba	800	.11	.11	.11
..	..	Cons. Smelters	10	86	86	86
20	8.3	Great West Life	4	240	240	240
..	..	Home Oil	300	.50	.50	.50
..	..	Hudson Bay Mining	100	6.25	6.25	6.25
50c	4.5	Imperial Oil	50	11	11	11
..	..	Inter. Nickel	35	15	15	15
35c	..	North Star Oil, pfd.	100	2	2	2
..	..	San Antonio	133	1.05	1.05	1.05
1.25	..	Sovereign Life	10	11	11	11
..	..	West. Can. Flour, c.	5	5½	5½	5½
..	..	Western Grocers	50	11	11	11
7	12.5	Do., pref.	5	56	56	56

Stocks Not Traded in During Week*

	Bid	Ask
Beaver Lumber pf.	..	65
Beaver Fire	..	100
City Dairy 7% pf.	..	35
City Dairy 8% pf	..	40
Cres. Cream, pfd.	30	..
Home Investment	20	..
Nor. Mtg. part pd.	..	5
Pelissiers, pref.	10	20
Northern Trust	..	21
West. Breweries	1	1½
Traders' Bldg. Ass.	..	72
Can. Amer. Tr. shs.	..	2¾
Fundamental Ser. A	..	3¾
Fundamental Ser. B	..	3½
Group Inc. shs.	3.70	4.10

*Stocks more active on other exchanges not included.

Note re Unlisted Securities

Although The Financial Post strives to obtain the closest quotations possible on the unlisted stocks and bonds in the various tables on this page and the adjoining page, the quotations are not guaranteed and no responsibility is assumed in connection with them. In inactive markets, many quotations can be little more than nominal but it is felt that even a nominal quotaiton giving an idea of approximate price is better than none at all.

Listed Bond Quotations

Week Ending May 1

	Int. Rate	Due	Yield	Latest Bid	High	Low	Range, 1933 High	Low
Montreal								
Abitibi, 1st mtge.§	5	1953	...	13	...	...	13	13
Asbestos	5	1942	...	21	...	...	*65½	49
Asbestos, 1st mtge.	6	1941	...	5½	...	...	*20	14
Do., gen. mtge.	6	1956	...	...	...	...	*9	...
Can. Cons. Rub.	6	1946	...	...	...	...	62	...
Can. Cottons	5	1940	...	...	...	...	*91	90
Can. Forgings	6	1942	...	...	...	...	*100	...
Can. Locomotive	6	1951	...	...	...	...	19¾	19¾
Can. Pr. (Laur.)	5½	1958	...	†5	...	...	*7	5
Do. (Way. Ser.)	5½	1958	...	...	...	...	*28½	5½
Can. S.S. Debs.	5	1943	...	...	...	...	*83¼	...
Cedars Rapids	5	1953	...	...	...	...	108	108
Dom. Canners	6	1940	...	...	...	...	‡103	...
Dominion Coal	5	1940	...	...	...	...	37	...
McNish	6	1948	...	1.00	1.00	...	1.50	1.00
Mex. L. & Pr.	5	1940	...	55	...	...	*73½	70½
Mtl. L.H.&Pr. debs.	3	1939	...	41½	41½	40¾	43	39½
Mont. Tr. 1st mtg.§	5	1941	5.70	...	95¾	...	98½	95½
Mont Trams. "A"§	5	1955	8.45	...	66	...	77½	58
Do., G. & Ref. "B"§	5	1955	7.47	...	...	...	73½	...
Do., "C"	4½	1955	9.03	...	...	...	57	57
Do., "D"	5	1955	7.14	...	...	...	77¼	76¼
N. S. Steel	5	1959	...	†78	...	...	*62¾	59
Ontario Steel	6	1943	...	...	80	...	80	...
Porto R. Pr.	5	1936	...	...	...	...	*93	88
Steel of Canada§	6	1940	...	103	...	...	*102½	100
Wayagamack	6	1951	...	...	...	...	*75	45
Winnipeg Elec.§	5	1935	...	...	...	...	*86	...
Toronto								
Canada Bread	6	1941	...	...	...	...	*101½	100
Steel of Canada	6	1940	...	...	...	...	*102½	...
Dominion Govt. Bonds (Montreal)								
War Loan§	5	1937	...	108.50	....	....	116.25	114.25
Victory Loan	5½	1933	4.48	100.00	....	....	100.75	100.00
Do.	5½	1934	4.18	101.00	....	....	102.60	101.35
Do.	5½	1937	3.18	109.25	....	....	110.50	109.75
Do., refund	4½	1940	4.54	99.75	....	....	101.25	99.70
Do., refund	5	1943	4.66	102.75	....	....	103.37	101.85
Do., refund	4½	1944	4.50	99.50	....	....	99.75	98.75
Do., refund	4½	1946	4.55	99.25	....	....	*92.25	91.50
Do., renewal	4	1952	4.57	92.75	92.87	....	93.25	91.63
Conversion Loan	4½	1956	4.60	....	....	....	98.50	97.00
Do.	4½	1957	4.78	97.50	....	....	98.25	96.00
Do.	4½	1958	4.62	98.00	....	....	99.37	97.75
Do	4½	1959	4.64	98.25	....	....	100.15	97.50
Nat. Service Loan	5	1936	4.15	102.00	....	....	103.25	101.50
Do.	5	1941	4.57	102.50	....	....	103.75	100.75
Dom. Loan	4	1935	4.12	99.25	....	....	99.75	99.75

†Latest ask ‡Quotations for 1930. *For 1931. •For 1932.
None recorded in 1933 to date. §Payable in Canada and New York

Dividends Declared

	Present Annual rate	Amt. this payment	Date payable	Date of record
Bank of Montreal	8%	2%	June 1	Apr. 29
Bank of Toronto	10%	2½%	June 1	May 15
Bk. Can. Nationale	10%	2½%	June 1	May 15
Belding Corticelli, pfd.	7%	1¾%	June 16	May 31
Blue Ribbon, pref.	$2	50c	May 1	Apr 28
Borden Co., c.	$1.60	40c	June 1	May 15
Canadian Oil	50c	12½c	May 15	May 1
Do., pref.	8%	2%	July 1	June 20
Cosmos Imp. Mills, pfd.	$3.50	87½c	May 15	Apr. 29
Can. Bank of Commerce	8%	2%	June 1	Apr. 30
Can. Converters	$2	50c	May 15	Apr. 30
Can. Hydro-Elec., 1st pfd.	6%	1½%	June 1	May 1
Cons. Diversified Std. Secs. 1st pfd.	..	25	June 15	May 15
Dominion Bridge	$2	50c	May 15	Apr. 29
Eastern Theatres c.	$2	50c	June 1	Apr. 29
Hollinger Gold	65c	5c	May 20	May 5
Do., extra	..	5c	May 20	May 5
Kelvinator, pref.	7%	1¾%	May 15	May 5
Loblaw Groceterias A & B	80c	20c	June 1	May 12
McIntyre Porc. Mines	$1	25c	June 1	May 1
Do., extra	..	25c	June 1	May 1
National Biscuit, c.	$2.80	70c	July 15	June 16
Do., pref	$7	$1.75	May 31	May 15
Quebec Power	$1	25c	May 15	Apr. 28
Penmans	$3	75c	May 15	May 5
Provincial Bank	6%	1½%	June 1	May 15
Rolland Paper, pfd.	$6	$1.50	June 1	May 15
Royal Bank	8%	2%	June 1	Apr. 29
Shawinigan W. & P.	50c	12c	May 15	Apr. 21
Southern Can. Power c.	$1	25c	May 15	Apr. 29

Dividend Rate Reduced:

Bank of Montreal, June 1, 10% to 8% per annum.
Can. Bank of Commerce, June 1, 10% to 8% per annum.
Royal Bank, June 1, 10% to 8% per annum.

Extra Dividends:

McIntyre Porc. Mines June 1, 12½c + 12½c.
Hollinger Gold May 20, 5c.

Interest is Reduced On Bay-St. Albans Bonds

Holders of the 6½ per cent first closed mortgage sinking fund bonds of Bay St. Albans Limited have agreed to a modification of their rights against the company and will accept a reduction in the rate of bond interest from an annual rate of 6½ per cent to 3¼ per cent on the payment due November 1, 1932, a reduction from 6½ per cent to 2½ per cent on installments payable May 1, 1933, and a reduction of 1½ per cent on the interest payable November 1 and thereafter until May 1, 1938. The company has also been released from its obligation to pay the balance of the sinking fund payment due on November 1, 1930, and sinking fund payments which would otherwise come due from May 1, 1931, up to November 1, 1937.

National Motors Limited, the tenants of the property, are released from their obligation to pay arrears of rent totalling $15,530 and rent is to be reduced to $925 per month from November 1, 1932, to May 1, 1938. The bondholders waive all default in interest and sinking fund payments. The issue of $200,000 6½ per cent first mortgage bonds was offered publicly by Stewart, Scully & Co. late in 1928.

NEWS FROM

Canada's Capitals

A week-by-week summary from Ottawa and the provincial capitals of legislative developments of interest to business.

Dominion Parliament

OTTAWA—Highlights of the week in Dominion parliament were: April 19—Duff railway legislation further considered.

Agricultural committee — Milk distribution conditions at Winnipeg are reviewed.

April 20—Hon. C. H. Cahan introduces legislation to facilitate compromises and arrangements in cases of insolvency. The purpose of the bill is to enable arrangements to be entered into between debtors and creditors which would make bankruptcy proceedings unnecessary. Shipping Act revision dropped, but special amendments to the existing statute, with respect to coasting laws, will be proceeded with. Hon. Murray MacLaren introduces amendments to the Pensions Act. The Duff railway legislation is further considered.

Special Railway Committee — Supplementary estimates for the National Railways, the steamship services, passed.

April 21—The estimates for the radio commission considered.

April 24—Sir George Perley, acting prime minister, announced personnel of special committee to consider proposed amendments to the Pensions Act. Hon. E. N. Rhodes announces that any readjustment of soldiers' pensions will stand over until 1934; that no additional dependents will be added to the pension list after May 1; that pensions will be made subject to the Income Tax Act. Mr. Rhodes also announced that an order-in-council has been passed suspending redemption of Dominion notes in gold.

April 25—Bill allowing Radio Commission to purchase National Broadcasting stations approved. House discussed and approved budget tariff changes

Senate — Amendments to the R. C. M. P. act passed. Rt. Hon. Arthur Meighen announced the withdrawal of the revised Canada Shipping Act, also the intention to proceed with a specific amendment to the existing statute covering the transshipment of grain at Buffalo.

April 26—Remaining tariff changes are approved. Amendments to the excise act approved, also the tax on bond interest and dividends and many changes in the sales tax.

Senate—Legislation authorizing the Canadian Radio Commission to purchase the National Broadcasting stations approved. The Senate adjourned until May 2.

April 27 — Consideration of Duff Railway bill resumed. Hon. R. J. Manion, minister of railways, complained of lack of progress.

April 28—Hon. W. A. Gordon, minister of labor, announced the Combines Branch has completed the report on the British anthracite coal situation and he will table it next week. Discussion of the Duff Railway legislation continued and good progress made. Amendments to the Canada Grain act passed. Supply items are voted.

HAMILTON UNITED EARNINGS LOWER MORTGAGE PAID

Net earnings of Hamilton United Theatres Ltd. were $74,148 in 1932 as compared with $117,910 in the 69 weeks ended Dec. 26, 1931 and after provision for depreciation and income tax net profit is down to $45,905 from $79,629. Preferred shares earned $5.83 and after payment of 7 per cent in dividends $9,-248 was drawn from surplus. Working capital was reduced to $37,014 from $78,045.

Income and Surplus Account

	53 weeks ended Dec. 31 1932 $	69 weeks ended Dec. 26 1931 $
Net earnings	74,148	117,910
Less: Depr. on bldgs., etc.	16,284	24,894
Cap. exp. w/o*	3,961	5,169
Prov. for inc. tax	6,008	8,218
Net profit	45,905	79,629
Less appropriations: Preferred divds.	56,153	68,941
Surplus for year	†9,248	10,688
Add: Previous surplus	68,830	60,398
Less: Inc. tax adj.	964	2,256
Bal. carried fwd.	58,618	68,830

†Deficit.
*Proportion of sound equipment license and installation costs.

Cash has been reduced to $3,222 from $20,799 and Dominion of Canada bonds to $35,294 from $75,488. Accrued rent receivable is shown at $4,769. Reduction in current assets is due to retirement of a mortgage of $55,000. The only large item in current liabilities is $6,008 for income tax reserve. Working capital position is as follows:

Working Capital

	1932 $	1931 $
Current assets	43,611	100,922
Current liabs.	6,597	22,877
Working capital	37,014	78,045
Ratio	6.61—1	4.41—1

Theatre properties are carried at $682,034 after reserve for depreciation of $385,933. Goodwill, franchises, etc., are valued at $1,310,188. There is outstanding 7,879 shares of $100 par value preferred stock and 48,020 shares of $25 par value common stock.

Newfoundland Notes

Canadian Marconi Co. will erect a wireless station on historic Signal Hill near St. John's. It was on this hill that Senor Marconi received the first trans-Atlantic wireless message in 1901.

Phenomenal Shooting on the part of gunners of the S. S. Imogene, recently returned from the seal fishing with an all-time record catch, is reported. On one day early in the trip a total of 11,498 seals were shot by the fourteen gunners, one member of the crew accounting for 981 seals.

Heaviest Cargo of seals brought in goes not to the S. S. Imogene which had the record catch but to the S. S. Ungava which had 8,000 less seals, latest reports from St. John's state. Total weight of the Ungava's catch is 1,255 tons, the heaviest catch ever recorded.

Net Value of the seal catch of the S. S. Imogene is $60,728, the crew of 215 men each receiving $93.48. Last season men on the Imogene received $59.49.

EAST. THEATRES EARNINGS DOWN CASH IMPROVED

Preferred Shares Earn $19.44; Before Income Tax Provision

Eastern Theatres Ltd. experienced a reduction in net earnings in 1932, and after provision for depreciation and taxes had a net profit of $97,194 which compares with $187,203 in 1931. Earnings equalled $19.44 per share on the 5,000 preferred shares outstanding as against $37.44 in the 69 weeks ended December 24, 1931. After paying preferred and common dividends surplus was drawn on to the extent of $1,806, but the company had a profit of $14,187 on the sale of bonds.

Income and surplus account for the last two fiscal periods are as follows:

	53 weeks ended Dec. 29 1932 $	69 weeks ended Dec. 24 1931 $
Net earnings	150,436	290,008
Less: Deprec.	52,180	59,938
Cap. expend.	59	11,019
Inc. tax provision	....	16,296
W/o bonds to adj. to market value	....	15,552
Prov. for corp. tax	1,003	....
Net profit	97,194	187,203
Less appropriations:		
Pref. dividends	35,000	52,500
Common dividends	64,000	80,000
Surplus for year	†1,806	54,703
Add: Prev. surplus	173,665	113,340
Profit on sale of bonds	14,187	....
Adj. of inc. tax prev. yrs.:		
Add	....	5,622
Deduct	2,526	....
Bal. carried forward	183,521	173,665

†Deficit.

Working capital position was improved; cash being up to $56,306 from $31,701 and Dominion bonds held up to $173,775 from $160,000. Principal item in current liabilities is preferred dividend payable January 31, 1933, amounting to $17,500. Provision for exchange, carried at $5,794 in the 1931 statement is not shown while income tax reserve is down to $1,003 from $16,296.

Working Capital

	1932 $	1931 $
Current assets	237,647	198,556
Current liabilities	20,190	41,687
Working capital	217,457	156,869
Ratio	11.77—1	4.76—1

Theatre property is valued at $499,598 of which $207,208 is land; $291,965 is value of building and furniture after depreciation. Sound equipment costs of $84,384 have been written off except for $424.

Greatest Demoralization In History of Crude Oil

Cut to 10 Cents Barrel Causes Voluntary Shutdown in East Texas Field — Racketeering Activities Forced Action—Affects Canadian Companies

The whole crude oil industry of the United States has been placed on a loss basis by the action of Texas Corp. in reducing the price paid for crude petroleum in the East Texas field to 10 cents a barrel, this being a reduction of 40 cents a barrel from the previous price of 50 cents a barrel. R. C. Holmes, president, in announcing this reduction, stated that his company is losing more money than ever before in its history, but two racketeering activities—illegal production and evasion of gasoline taxes and laws—had made the move necessary.

The answer of a large number of producing companies in the field has been to shut down all production voluntarily for a time though some persistent price-cutters are offering their product at five cents a barrel. The effect of this in Canada cannot be foreseen. If this low price level spreads to all mid-continent fields it would probably bring down gasoline one cent a quart, but it is expected that sooner or later the price will revive to about 25 cents a barrel and even at that it will not be profitable to most operators.

Utterly Demoralized

In spite of pro-ration, in spite of agreements to curtail production, in spite of laws designed to prevent excess supplies being thrown on the market, the oil industry has gradually become the prime example of demoralization in the United States. Leading companies like Standard Oil of New Jersey have bought always at the posted prices for mid-continent oil but with such excess of crude it was inevitable that a bootlegging business should grow up by which that excess was offered at much lower prices to operators not so conscientious. Mr. Holmes declares that a small minority have defeated every effort of a very large majority to get stable conditions.

President Roosevelt has been urged to take measures to secure unit production in every important field. During the last presidential election Mr. Roosevelt had important support from independent operators and many think that he cannot overlook their views. However, many of these independents now feel that the situation has got out of control and are willing to co-operate with the big-line companies. It apparently is the only way in which curtailment can be made effective.

Problem is Difficult

Just to show how difficult the problem is a few figures may be cited. The United States consumption is stated to be about 2,000,000 barrels of oil products daily. The Texas Railroad Commission permits production of 791,000 barrels of crude oil daily in the East Texas field but illegal production is believed to take this up to 1,000,000 barrels or half the whole consumption of the United States. The potential production in the East Texas field, as ascertained during the recent holiday is 128,000,000 barrels daily.

The situation gets no better. In the face of such an obvious situation the number of producing wells in Texas increased during 1932 from 3,600 to 9,500 and the daily allowable production had to be dropped from 100 barrels to 37 barrels. Drilling activity has increased in the face of the fact that during 1932 there was actually a decrease of 70,000,000 barrels in consumption in the United States.

The new slash in prices tends to disrupt the whole crude and refined business of the United States. It may hasten a solution as well. So far as Canada is concerned, Imperial Oil is affected because hitherto prices of crude from Peru and Colombia have been religiously following mid-continent posted prices. It does not as yet affect gasoline prices in Canada because the price of crude is the smallest element in that price.

British American Oil has large interests in East Texas field but the situation which has developed will prevent that company from realizing more than a fraction of one per cent of potentialities if President Roosevelt does not take hold under new legislation giving him exceptional powers.

Mining Stock Quotations

Week Ending May 1

Par Val.	Range 1933 High	Low	Company	Sales	Close Apr. 24 (or last)	High for week	Low for week	Close May 1
1	.05	.02	Abana		.03			
1	.01½	.00½	Aconda	1,500	.01	.01	.01	.01
No	•.15	.15	Aldermac					
1	.03½	.01	Alexandria	51,500	.02½	.02½	.01½	.01½
No	.05½	.02½	Algoma	99,100	.03	.03½	.02½	.03
1	.01	.00½	Algonquin	2,500	.00½	.00½	.00½	.00½
1	.01½	.00½	Amity C.	7,000	.01	.01	.01	.01
No	.25½	.10	Amulet	16,150	.20	.20½	.18½	.20½
1	.01	.00½	Apex		.00½			
1	.03½	.02	Area	2,000	.02½	.02	.02	.02
No	.04½	.01½	Arno	51,300	.02½	.02½	.02½	.02½
1	1.36	.74	Ashley	3,625	1.28	1.32	1.28	1.30
1	.14	.02½	Bagamac	15,000	.07½	.07½	.05½	.06½
1	.03	.00½	Baldwin		.00½			
1	.20	.08	Barry Hollinger	40,000	.10	.11½	.09½	.10½
No	1.36	.75	Base Metals	9,450	1.25	1.36	1.20	1.32
No	1.00	.98	Beattie		.98			
1	.21	.08	Big Missouri	28,650	.16	.17	.15	.16½
1	.18	.08½	Bobjo	24,350	.13½	.13	.11	.11
No	5.10	2.28	Bralorne	13,630	4.25	5.10	3.75	5.10
1	.25	.15	Brett Trethewey	2,100	.19	.19	.17	.18
1	.03½	.01½	Brownlee	17,000	.02½	.03	.02½	.03
1	.01	.00½	Buckingham	1,500	.00½	.00½	.00½	.00½
No	.04½	.02	Buffalo Can.		.02½			
No	.03½	.01½	Bunker Hill	13,500	.03	.03½	.03	.03½
5s	.65	.60	B'Wana McKubwa		.65			
No	.04	.02½	Canam Metals		.04			
1	.12½	.03	Can. Kirkland	7,667	.05	.04½	.04	.04
1	.01	.00½	Capital Rouyn		.00½			
1	.03½	.01	Cartier Malartic	2,000	.01	.01	.01	.01
1	.40	.15	Castle Trethewey	100,745	.37	.40	.35	.39
1	.15	.06	Cen. Manitoba	10,500	.11	.11½	.09½	.10
1	.28	.17	Cen. Patricia	6,200	.20	.20	.19	.20
No	.11	.03	Chibougamau Pros.	9,500	.07	.07½	.07	.07½
	.10½	.03	Church M. & Mill.	500	.04	.03	.03	.03
No	.02½	.00½	Clericy	6,500	.01½	.01½	.01	.01½
	.01½	.01	Clifton Cons.		.01			
5	3.25	1.65	Coast Copper	1,255	3.25	3.25	3.00	3.25
1	.05	.00½	Cobalt Contact	17,000	.03½	.03	.02	.02½
1	.11	.05	Columario	11,600	.07	.07½	.07	.07
5	1.05	.75	Coniagas		.75			
No	.45	.20	Coniaurum	2,100	.40	.40	.35½	.38
25	95.00	54.00	Cons. Smelters	19,693	86.50	95.00	83.50	93.00
No	20.75	13.60	Dome Mines	15,207	19.50	19.90	18.25	19.05
No	.08	.03½	Dom. Explorers	23,100	.05½	.05½	.04½	.04½
1	.01	.00½	Dominion Kirk.		.01			
1	.04	.01	Don Rouyn	9,000	.01	.01	.01	.01
1	.04½	.02	Duparquet	5,000	.02	.02	.02	.02
1	1.61	1.16	Eldorado	38,925	1.45	1.55	1.45	1.49
No	3.15	1.80	Falconbridge	25,710	2.99	3.00	2.80	2.95
1	.02½	.01	Federal		.01½			
No	.02½	.01½	Flintoba		.02½			
No	.03	.01	Gilbec	17,000	.02½	.03	.02	.02½
1	.07	.04	Goldale	10,500	.06½	.06½	.06½	.06½
10	.15	.10	Goldfield		.15			
	.01½	.01	Gold Reef		.01			
1	.04½	.02	Goodfish		.02½			
1	.03½	.01	Graham	3,500	.02	.01½	.01½	.01½
1	1.95	1.19	Granada	26,597	1.49	1.48	1.33	1.37
1	.08	.06	Grozelle		.07			
1	.30½	.24	Halcrow Swayze	5,900	.30	.30½	.28½	.28½
1	.04½	.02	Harker	21,500	.04½	.04½	.03½	.03½
1	.01½	.00½	Hilltop	9,000	.00½	.00½	.00½	.00½
5	9.25	6.00	Hollinger	47,032	8.90	9.00	8.15	8.90
1	.95	.61	Howey Gold	88,780	.80	.82	.76	.81
No	6.75	3.10	Hudson Bay	11,532	6.50	6.60	6.00	6.50
No	.40	.25	Huronian		.34			
No	16.25	8.00	Int. Nickel	152,205	15.00	16.25	14.20	16.00
1	.02	.00½	Jackson Manion	1,000	.00½	.01½	.01½	.01½
1	.40	.20	Keeley	4,200	.40	.40	.35	.40
1	.02	.00½	Keora Mines	2,000	.01	.00½	.00½	.00½
1	.76	.48	Kirk. Hud. Bay	700	.55	.55	.52	.55
1	.02½	.00½	Kirk. Hunton	3,000	.00½	.00½	.00½	.00½
1	.52	.30	Kirkland Lake	13,460	.38	.37	.35	.36
1	.03	.01½	Kirkland Premier	1,000	.01½	.01½	.01½	.01½
1	.22½	.12	Kirk. Townsite	7,600	.19½	.19	.16	.16½
20c	.01½	.00½	Koot. Florence	20,500	.01½	.01½	.01	.01½
1	.35	.18	Lakeland	800	.18	.18	.18	.18
1	.18	.08	Lake Maron	118,800	.11	.14½	.10	.14½
1	40.00	30.75	Lake Shore	12,637	37.00	37.25	35.50	36.15
1	.07½	.02½	Lebel Oro	62,500	.05	.07½	.05½	.06½
1	.38	.20	Macassa	72,450	.36½	.36½	.34½	.35½
1	.12½	.05	Malartic	41,525	.10	.12½	.10½	.12
1	.02½	.01	Malrobic	40,000	.01½	.01½	.01½	.01½
No	.08	.02½	Mandy	6,500	.06	.06½	.05½	.05½
No	.03	.01	Manitoba Basin	13,800	.01½	.01½	.01½	.01½
5	29.75	21.20	McIntyre	13,496	28.25	28.75	26.75	28.00
1	.50	.30	McKinley		.41			
No	.08	.02½	McLeod River	95,000	.03½	.03½	.03½	.03½
1	.17	.03	McMillan	12,100	.11	.17	.10	.17
No	.75	.46	McWatters	16,275	.59½	.59½	.55½	.57
1	.41	.15	McVittie	14,500	.40	.40	.36	.39
5	1.00	.06	Mentor Exp. & Dev.		.55			
No	1.80	1.20	Mining Corp.	15,110	1.60	1.65	1.55	1.63
1	.03	.01½	Moffatt Hall	44,350	.02½	.02½	.02	.02½
1	.06½	.02	Moneta	10,200	.03½	.05	.04	.05
1	.00½	.00½	Montreal Rouyn		.00½			
1	.40	.12	Moss	84,100	.13½	.14	.12½	.13
1	.02½	.00½	Murphy	2,000	.01	.01½	.01½	.01½
No	.05	.02½	Newbec	4,500	.03	.03½	.03	.03
1	.06	.01½	Night-Hawk Penn.	8,500	.03	.03	.03	.03
5	2.00	1.15	Nipissing	17,630	1.85	1.95	1.71	1.91
No	28.25	19.75	Noranda	38,383	27.00	27.65	26.50	27.25
No	.52	.32½	Nor. Canada	3,350	.42	.40	.37	.40
No	.25	.19½	Normont-Gold	15,100	.21	.25	.21	.24
No	.02½	.00½	Old Colony	23,500	.01½	.01½	.01½	.01½
1	.14	.05	Osisko		.08			
1	.26	.11	Parkhill	19,150		.25	.23	.23
1	.03½	.01½	Pawnee Kirk.		.02½			
1	1.00	.50	Pend Oreille	11,580	.95	1.00	.88	1.00
1	.01½	.00½	Peterson Cobalt	2,500	.01½	.01½	.01	.01
1	8.05	4.30	Pioneer Gold B.C.	10,605	7.70	8.05	7.80	7.90
1	.01½	.00½	Porcupine Crown		.00½			
1	.01	.00½	Potter Doal		.00½			
1	.82	.55	Premier Gold	20,600	.71	.72	.70	.70
1	.02½	.00½	Preston E. Dome		.00½			
No	.95	.68	Prospectors Air's	500	.80	.80	.80	.80
No	•1.00	1.00	Quebec Pros.					
No	.15	.03	Quemont	3,800	.09	.10½	.08	.08
1	.02½	.00½	Ribago	12,000	.01	.00½	.00½	.00½
1	.08	.01½	Ritchie	1,000	.02	.01½	.01½	.01½
1	.04	.01	Robb Montbray	4,700	.01½	.01½	.01½	.01½
1	1.21	.75	San Antonio	27,625	1.05	1.05	1.00	1.03
1	.03	.03	Seven Troughs		.03			
1	.57	.33	Sherritt Gordon	44,758	.55	.57	.50	.57
1	1.77	1.25	Siscoe	68,068	1.61	1.61	1.50	1.52
1	.10½	.03	South Keora	1,600	.03½	.03½	.03½	.03½
No	.06	.01½	Stadacona	108,900	.02½	.02½	.02	.02½
1	.14	.07	St. Anthony	2,200	.09	.10	.09½	.09½
No	1.19	.60	Sudbury Basin	15,681	1.08	1.14	1.00	1.10
1	.06½	.00½	Sudbury Contact	25,900	.05½	.05½	.04½	.05
1	.01½	.00½	Sudbury Mines		.00½			
No	.16½	.16½	Sudbury Nickel		.16½			
1	.38½	.20	Sullivan	31,065	.31	.33½	.30	.32½
1	1.21	.72	Sylvanite	73,187	.95	.94½	.86½	.88
1	.03½	.01½	Tashota		.01½			
1	.18½	.15½	Tashota Goldfield		.18½			
1	5.10	3.70	Teck Hughes	42,882	4.50	4.54	4.23	4.35
1	.10	.03	Thom. Cadillac		.05			
1	.20	.10	Towagmac	5,200	.17	.18	.16	.17
1	2.00	1.00	Treadwell		1.36			

Par Val.	Range 1933 High	Low	Company	Sales	Close Apr. 24 (or last)	High for week	Low for week	Close May 1
1	.12	.04	United Kirkland	5,000	.07	.12	.07½	.10
1	.06½	.01½	Vacuum Gas	41,100	.02½	.02½	.02½	.02½
No	2.40	2.30	Venezuela Gold		2.35			
No	1.28	.80	Ventures	59,155	1.13	1.12	1.02	1.04
1	.22	.06	Vickers	8,500	.10	.07	.06	.06
1	.41½	.20	Vipond	14,750	.38	.39	.36	.39
No	.75	.35	Waite Ackerman		.50			
1	.04½	.02½	White Lake	1,000	.03½	.03½	.03½	.03½
1	.08	.02	Wiltsey Coughlan	7,500	.06	.05½	.05½	.05½
1	.12	.07	Wood Kirkland	13,600	.11½	.11½	.11	.11½
No	5.10	3.73	Wright-Hargreaves	61,587	4.90	4.95	4.70	4.95

OIL STOCKS

Par Val.	Range 1933 High	Low	Company	Sales	Close Apr. 24 (or last)	High for week	Low for week	Close May 1
No	.12	.08	Acme Gas & Oil	30,750	.10	.11	.09	.09
1	.82	.55	Ajax	11,900	.62	.70	.60	.60
1	.13	.05	Alta. Pacific	15,400	.09	.13	.10	.12
1	.08½	.05	Amalgamated	23,500	.05	.08½	.05½	.08
No	.07	.04½	Associated	3,200	.05½	.06	.05½	.06
No	.03½	.01	Baltac	4,000	.01½	.03½	.02½	.03
1	•.05	.02½	Brit. Dominion					
No	.35	.25	Calgary & Ed.		.33			
1	.08	.03	Calmont	11,975	.04½	.08	.04½	.06½
1	.07½	.03½	Common. Pete.	3,500	.03½	.07½	.05	.07
No	.23	.05	Dalhousie	7,800	.15	.23	.15	.20
No	.02	.02	Devenish		.02			
No	•.02	.00½	Dome Oil					
No	.10	.05½	East Crest	3,400	.07	.10	.08	.08
	.36	.25	Erie Gas	23,600	.25	.36	.30	.34
No	.00½	.00½	Fabyan Pete.	89,500	.00½	.00½	.00½	.00½
No	.10	.06	Foothills	5,975	.06	.10	.07½	.10
No	.05½	.04	Freehold	16,770	.04½	.05½	.04	.05½
1	•.02	.00½	Great West					
No	.04	.01½	Hargal	2,000	.01½	.04	.04	.04
No	•.05	.02	High Sarcee					
No	.69	.30	Home	15,975	.48	.69	.40	.50
No	•.05	.01½	Homestead					
	.20	.10	Homestead O. & G.	12,400	.12	.14	.11	.11
1	•.01	.00½	Illinois Alberta					
1	•.02½	.00½	Lethbridge					
No	•.10	.04	Lowery					
No	•.02	.00½	Madison					
1	.42	.14	Mayland	7,500	.20	.42	.25	.38
No	.03½	.03½	McD. Segur Ex.	500		.03½	.03½	.03½
1	•.04	.01	McD. Segur N.					
1	.35	.25	McLeod	800	.27	.35	.25	.35
No	.10	.07½	Mercury	19,300	.08	.10	.08	.09½
No	.15½	.11	Merland	7,000	.11	.15½	.13	.15½
No	•.15	.08½	Mill City Pete.	2,700	.16	.20	.17	.20
1	.20	.12	Model					
1	•.05	.04	Monalta					
1	•.07	.03	Moose Mountain					
1	•.01	.01	New Federal					
5	.20	.09	Nordon	11,300	.11½	.15	.11	.11
No	.04	.02½	Oil Selection	2,500	.03½	.03½	.03½	.03½
No	.06½	.04½	Okalta	9,000	.04½	.06½	.05½	.06½
No	.50	.20	Olga Gas & Oil	164,350	.38	.50	.36	.43
No	.03½	.01	Penn. Pete.		.01½			
1	.17	.13	Petrol Oil & Gas		.15			
No	•.14	.08	Ranchmen's					
1	•.01	.00½	Regent					
No	•.02½	.01	Richfield					
No	8.00	5.75	Royalite	650	6.50	8.00	7.60	8.00
1	.11	.05	Sarnia Oil	10,400	.05	.09	.06	.06
1	•.03	.01	Signal Hill					
1	.07	.04	South West Pete.		.04			
1	.06	.06	Spooner	150		.06	.06	.06
No	.17	.12	Sterling Pacific	1,600	.14	.17	.14	.17
	.43½	.43	Trinidad Oil		.43½			
1	•.11	.07½	Turner Valley					
No	.08	.03	United	4,325	.03	.05½	.04	.05
1	•.09½	.03	Vulcan		.00½			
No	.01	.00½	Wainwell					

VANCOUVER STOCK EXCHANGE
(Transaction for Week to April 26)

Par Val.	Range 1933 High	Low	Company	Sales	Close Apr. 24 (or last)	High for week	Low for week	Close May 1
25c	•.00½	.00½	Bayview					
20c	.06	.02½	Beaver Silver	103,550	.04½	.06	.04	.04
1	.80	.60	B.C. Silver	300	.80	.70	.70	.70
1	.17	.14½	Big Slide	2,200	.15	.15	.15	.15
25c	.04½	.02	Bluebird	100,200	.02	.04½	.03½	.04
No	4.35	1.38	Bralorne	39,559	3.55	4.35	3.55	4.00
1	.15	.05	Bridge River Cons.	246,800	.12½	.14	.09½	.12½
100	89.00	88.50	B.C. Electric, pfd.		88.50			
1	2.85	1.50	Cariboo Gold	6,940	2.26	2.25	2.05	2.20
No	8.00	5.60	Coast Breweries	1,690	7.00	8.00	7.00	8.00
25c	.01	.00½	Cork Province	800	.01	.01	.01	.01
1	.02½	.02½	Cotton Belt		.02½			
1	.04	.00½	Dalhousie Mines		.02			
1	.45	.28	George Copper	1,000	.40	.45	.40	.45
50c	•.02	.01	Geo. Enterprise					
1	.03½	.02	Georgia River	61,000	.02½	.03½	.02½	.03
1	.25	.16	Golconda	2,400	.22	.25	.21	.25
50c	.08½	.03½	Grandview	47,150	.05½	.06½	.05½	.05½
1	.00½	.00½	Independence		.00½			
1	.01½	.01	Indian Mines	10,000	.01	.01½	.01½	.01½
1	.13½	.08½	Inter. Coal		.10			
1	•.21	.21	Jack Waite					
25c	.00½	.00½	Kootenay King		.00½			
10c	.02	.01	Lucky Jim	10,500	.01½	.02	.01	.02
1	.30	.20	Meridian	25,300	.20	.30	.20	.28
5c	.05	.05	Metaline Metals	4,000		.05	.05	.05
1	.01½	.00½	Morton Woolsey	7,000	.01	.01½	.01½	.01½
50c	.05	.00½	National Silver	446,300	.03½	.05	.03½	.03½
50c	.13	.02½	Noble Five	477,250	.07½	.13	.08½	.11½
50c	.01	.00½	Oregon Copper		.00½			
1	8.00	4.30	Pioneer Gold	19,135	7.60	8.00	7.00	7.25
	.11	.10	Planet Mines	1,000	.10	.11	.11	.11
50c	.12	.04½	Porter Idaho	105,600	.10	.12	.08½	.09½
No	.00½	.00½	Premier Border	10,000	.00½	.00½	.00½	.00½
No	.22	.10	Reeves McDonald	9,065	.10	.22	.16	.20
	.09	.04	Reward Min.	136,900	.07	.09	.07	.08½
1	1.15	.60	Reno Gold	143,670	.97	1.15	.85	1.01
1	.02½	.01	Rufus Argenta	500	.01	.01½	.01½	.01½
1	.05	.02½	Ruth Hope	13,600	.02½	.05	.03½	.05
1	.08½	.03½	Silverado	36,900		.08½	.03½	.07
25c	.04½	.01	Silver Crest	148,550	.04½	.04½	.03½	.03½
50c	.02½	.01	Snowflake	84,500	.01½	.02½	.01½	.01½
1	.25	.25	Sunloch	440	.25	.25	.25	.25
No	•.06	.05	Vanalta					
50c	.25	.08	Wayside	176,525	.13	.25	.14	.23
25c	.02½	.01½	Waverly Tangier	30,000	.02½	.02½	.02	.02
20c	.02½	.01½	Wellington	54,000	.01½	.02½	.01½	.01½
1	.10	.03	Whitewater	131,700	.05	.10	.08½	.09½

•Quotations for 1932. No sales recorded in 1933 to date.

DIVIDEND PAYERS

	Rate	Yield %		Rate	Yield %
Ajax Oil	8c.	13.33	Merland Oils†	2½c.	
Coniagas‡	12½c.		Noranda	$1.10	
Coniaurum†	3c.		Petrol Oil	°2c.	
Cons. Smelters*	10%		Premier	12c.	17.14
Dome Mines	$1+30c.	6.82	Pioneer, B.C.	24c.	3.03
Falconbridge	10c.		Royalite	°$1.50	
Hollinger	65c.+10c.	8.42	Siscoe	12c.	7.89
Howe Sound	40c.		Sterling Pacific Oil†	2½c.	
Lake Shore	$2+$1	8.29	Sylvanite	4+1c.	5.68
McIntyre	$1.50+12½c.	5.80	Teck Hughes	60c.	13.78
McLeod Oils†	5c.		Wright-Har.	20c.	4.04

*Stock. ‡Interim. †Initial. °Paid in 1932.

PRICE BROTHERS ASSETS EXCEED ALL LIABILITIES

Financial Report Given to Court—Creditors Vote to Carry On

From Our Own Correspondent

MONTREAL—Price Bros. and Co.'s assets show an excess of $43,-539,613 over all liabilities, according to a statement submitted to the Quebec Bankruptcy Court.

Among the principal secured creditors are the Royal Bank of Canada with $1,807,299 and the Bank of Montreal with $1,783,466. The total outstanding on bond issues of the company is $11,061,600, while bond interest in default amounts to $774,312, making a total of bondholders' claims of $11,-835,912.

Unsecured creditors are represented in the sum of $903,855.

The principal items in the assets of the company are shown as follows; stock in trade, $2,987,848; book debts, $858,169; cash in banks, $12,121; cash on hand, $6,558; real estate (free of mortgage) $478,-073; estimated freehold lands, plants, buildings, etc., subject to bond issues, $55,104,575; and investments (book value with allowance for depreciation) $1,500,000.

A general note included in the statement points out that it was very difficult owing to uncertain state of the industry to fix any estimates of the value of the assets of the company, consisting mostly of timber limits etc. which are necessary to the conduct of a newsprint enterprise.

Banks Well Covered

Financial statement also shows that the banks have security on their loans to an estimated value of $6,476,794. From this amount it is expected that an equity of $1,732,944 will be available to other creditors.

After providing for the bondholders, it is estimated that there will be an apparent surplus of $44,528,677 at book value available for satisfaction of the claims of other creditors and thereafter for the company's shareholders.

Creditors Hold Meeting

Following the filing of the company's financial statement a meeting of the creditors was held when consideration was given to the possibility of liquidating the company under the Winding Up Act instead of the Bankruptcy Act. This resolution was passed at the meeting authorizing the trustee to proceed under the Winding Up Act if after due consideration he came to the conclusion that it would be in the interests and advantage of the creditors.

Hon. Gordon W. Scott was appointed trustee and the inspectors named were: C. R. Whitehead, of the Consolidated Paper Co.; R. E. Powell, of the Duke-Price Power Co.; and J. B. Bevan, of the Imperial Oil Co.

At the meeting of the creditors it was decided to continue to operate the business and the trustee was authorized to borrow money for that purpose.

QUEBEC PULP MAY REORGANIZE SHARE STRUCTURE

Loss for Year Lower — Property Values Are Written Down

From Our Own Correspondent

MONTREAL.—Revision of the capital structure of Quebec Pulp and Paper Corp. may become necessary in the near future consequent on further reverses suffered by the pulp and paper industry in the past year, according to remarks made by A. Stewart McNichols, president of the company, in the annual report. The current statement gives effect to a substantial write-down in the value of assets and the sale of the Chicoutimi plant to a wholly-owned subsidiary.

Consolidated loss for the year was $192,256 compared with $201,646 in 1931. From surplus there has been written off in a net sum of $1, 474,-250. Of this $704,430 was written off mills and equipment at Chicoutimi and the balance charged off value of timber less capital surplus of $639,131.

Profit and Loss

	1932 $	1931 $	1930 $
Net rev.	42,472	36,216	a44,292
Gen. exp.	25,650	28,512	34,279
Oper. prof.	16,822	7,704	d78,572
Misc. chgs.	209,078	209,351	185,434
Net loss	192,256	201,646	264,006
Prev. def.	1,093,201	945,664	681,658
Deb. bal.	1,285,457	1,147,311	945,664
xLess	......	54,109	......
Bal. at deb.	1,285,457	1,093,201	945,664
bNet wr.-off	1,474,250	......	......
Cont. res.	199,299	......	......
Ttl. def. c.f.	2,959,007	1,093,201	945,664

a—Net loss. d—Operating deficit. x—Amount transferred from reserve for contingencies. b—Written off mills and equipment at Chicoutimi $704,430, plus amount written-off value of timber lands, less $639,131 capital surplus applied thereto.

Working capital position compares as follows:

	1932 $	1931 $	1930 $
Curr. assets	687,645	148,113	212,429
Curr. liab.	389,750	198,617	91,244
Work. cap.	297,895	x50,504	121,186

x—Excess of current liabilities over current assets.

Working Capital Improves

Improvement in working capital position is due to an increase in cash which now totals $634,372, compared with $8,782 in the previous year. Inventories of $119,675 shown in 1931 have been liquidated, while investments, formerly carried at $721,536, now appear at $70,042. Reflecting changes in property account, fixed assets are valued at $7,143,381 down from $9,603,929.

In liabilities, accrued charges are up $146,000 at $339,078 and accounts payable are down $4,000 at $672. Reserves have declined by $322,000 to $481,015.

Thrift Stores' Stock Listed Montreal Curb

From Our Own Correspondent

MONTREAL.—Montreal Curb Market announces the listing of the following securities of Thrift Stores Ltd.; 13,710 first accumulative redeemable convertible 6½ per cent preference shares, $25 par value, and 20,000 shares of no par value ordinary stock, with authority to add a further 37,000 shares on official notice of issuance against conversion of the first and second accumulative redeemable convertible preference shares.

TRADE TREATY FACES OBSTACLE IN CONSTITUTION

(Continued from page 1)

either of defeat in the Senate, or of endless delays. The Versailles treaty was defeated in the Senate. Many other examples could be cited.

Congress Might Change

But even if a treaty is ratified, any subsequent statute of Congress which violates the terms of the treaty, abrogates the treaty to the extent of the conflict. Thus if a trade treaty were entered into, Congress might subsequently change the treaty tariff, in which event the president's veto would be the only way in which treaty abrogation could be avoided. The president's veto, in turn, may be vetoed by a two-thirds majority of the Senate.

Having regard to the rapidity with which political opinion changes in these times, there is no way, in the United States, of giving permanence to a treaty. This is the general view.

As a result it would appear that Canada will have to take what President Roosevelt is able to give, or forget about reciprocity.

Creation Not Preservation

Much is being said both at Ottawa and Washington of the special powers which President Roosevelt will seek from Congress, and which will be the foundation upon which the various trade treaties will be reared. These powers, however, are concerned only with the creation of a treaty, not with its preservation. Mr. Roosevelt is believed to contemplate obtaining some sort of a blanket authority to enter into, as well as to negotiate, treaties. But no Congress can bind itself for the immediate future, nor can it bind succeeding Congresses.

This is the greatest obstacle to a United States-Canada trade treaty, and the manner in which it may be overcome still remains undisclosed.

Canada's Offer

Mr. Bennett went to Washington prepared to concede tariff concessions as follows:

1. Virtually complete repeal of the exchange dump duty, arbitrary values and other order-in-council tariffs.
2. Special concessions on chemicals, machinery, some forms of iron and steel and some electrical apparatus.
3. Extension to the United States of the intermediate tariff.

Mr. Bennett had worked out a list of some 50 commodities, included in the foregoing general classifications. In addition he was prepared to point out that while his Government would not agree to any impairment of the Ottawa treaties, there were some 700 tariff items not affected by these treaties upon which he was free to bargain with Washington.

To some extent the list of what Mr. Roosevelt sought and what Mr. Bennett was prepared to give, dovetailed; notable additions to Mr. Roosevelt's list were fresh fruit and vegetables, automobiles and parts, agricultural implements and coal. In other respects there are difficulties in the way of agreement. The experts of both countries must now seek to find a solution to these problems.

With respect to coal, for example, it is being suggested that a reciprocal agreement, based upon a regional division of markets, would meet the case. If both countries put coal on the free list, and a large market for United States collieries were carved out of Central Canada, it is claimed that the British anthracite operators would not lose and the coal interests of Nova Scotia and British Columbia would gain more tonnage in adjacent states of the union than they would lose in Canada. Or if British anthracite could not be adequately protected under such an arrangement, the agreement would be restricted to bituminous coal.

WOOD, ALEXANDER CASH IS STRONG

Shows Operating Loss, Retired $22,000 of Bonds in Past Year

Wood, Alexander & James Ltd., had a loss of $23,624 on operations in the year ended January 31, 1933, as against a profit of $18,805 in 1932. After provision for depreciation and bond interest, loss for the year was $57,469 as compared with loss of $19,024 in 1932. Earnings statements reflect dullness in wholesale hardware lines but the company retains a strong liquid position and has retired $22,000 of bonds in the past year.

Income and Surplus Account
Years Ended Jan. 31

	1933 $	1932 $
Net earnings	*23,624	18,805
Less: Depreciation	16,417	16,368
Bond interest	17,428	18,600
Income tax	....	2,861
Net loss	57,469	19,024
Less appropriations: First pref. divds.	....	22,750
Surplus for year	†57,469	†41,774
Add: Previous surplus	86,270	128,045
Balance carried fwd.	28,801	86,271

*Loss. †Deficit.

Cash has been increased to $94,197 from $72,327 and Dominion of Canada bonds are still shown at par of $50,-687. Receivables have been cut to $129,438 from $166,071 and inventories to $420,980 from $477,731. Bills and accounts payable are down to $36,946 from $50,618.

Working Capital
As at January 31

	1933 $	1932 $
Current assets	695,302	766,817
Current liabs.	45,316	59,648
Working capital	649,986	707,169
Ratio	15.34—1	12.89—1

Fixed assets are carried at cost of $680,419 while depreciation reserve is shown at $116,534.

LITTLE BUYING COMMODITIES SEEN AS YET

(Continued from page 1)

mitments are made. Flour millers and elevators are and were hedged completely in all futures and have not been in the market, he stated. Chief price increases have been on account of speculators.

Little buying was reported in either the metal or rubber fields, as far as could be ascertained.

Just how much of the current price upturn is due to monetary factors and how much to "speculation for the advance" is indicated by figures prepared by the New York Annalist. This authority looks over its price indices for the week ending April 25 and finds that the average rise of foreign gold currencies in terms of the dollar was 9.3 per cent. In the same week cotton rose 10.9%; silk 23.8%; hides 25%; copper 19.8%; tin 15%; zinc 17.3%, and lard 18.2%. Only coffee, corn and wheat among active items made gains below the change in the country's external price level, the gain for wheat being 6.9%; for coffee 6.5% and for corn 5.6%.

List Is Broadening

Feature of past week's trend however, according to later figures compiled up to the week end by the New York Journal of Commerce was the important gain in textile prices, and chemicals and general broadening of the gains of previous weeks. Its summary of the week's movement follows in part:

"Advances in textiles, yarns and cloths were particularly numerous last week. Aided by continuous strength in raw material, rayon yarns and fabrics, silk greige goods, wool goods, blankets, bathing suits, cotton grey goods, sheets and pillowcases, denims and flannels all moved higher.

"Outstanding developments among the chemicals included an advance of $1 per ton in nitrates and an increase of 25 cents per 100 lbs. in copper sulphate.

"The upward trend of prices is expected to continue to broaden though temporary reactions are probable whenever the rise is particularly sharp. This week prices of metals, textiles, steel and chemicals are expected to advance further while grains and foods are likely to be much influenced by the progress of agricultural legislation."

Wheat Up 30 Per Cent

Biggest news for Canada is of course the jump in wheat prices. Despite considerable profit-taking, No. 1 cash wheat at Winnipeg has moved during April from a low of 49 cents to 64 cents — a gain of almost 30 per cent.

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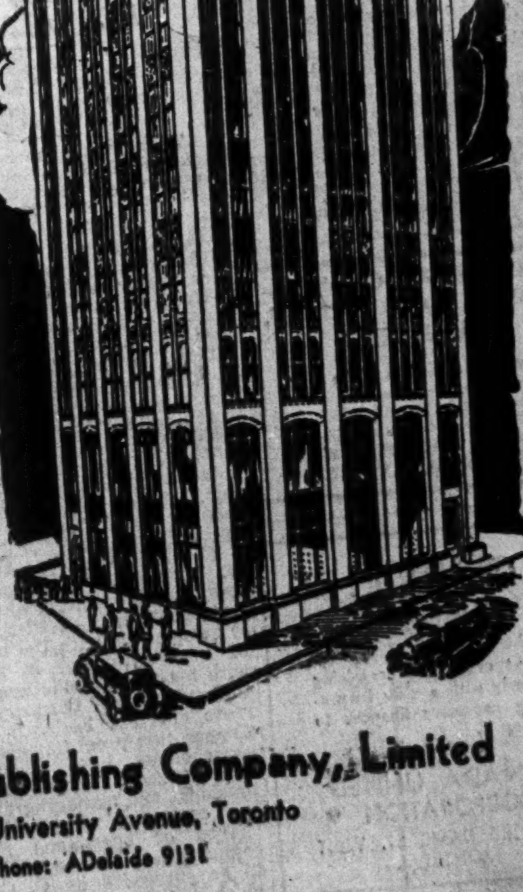

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Canadian Mining News

Hollinger Net Profit Reported at $3,962,885 Investments Decline

Ore Conditions on Lower Levels Said to Be Most Interesting

TAXES CLIMBING

Report of Findings By Dr. Graton Not Made Public—But It Aids Ore Search

The twenty-second annual report of Hollinger Consolidated Gold Mines, covering operations for the year ended Dec. 31, 1932, shows this premier Canadian gold producer and dividend payer to be still going strong with net profits for the year of $3,962,885, equivalent to 21 cents per share against dividend requirements of 75 cents per share. This compares with net profits of $3,508,204 or 71 cents per share in the previous year but does not adequately provide for market shrinkage of investments which have declined $8,513,701.

The following tabulation covers income and surplus accounts for the past two years:

Income and Surplus Account
Years Ended December 31

	1932	1931
	$	$
Bullion production*	10,394,409	10,094,459
Less:		
Mining exp.	5,316,504	5,289,740
Milling exp.	1,074,240	1,023,448
Gen. & admin. exp.	486,993	636,672
Taxes	526,132	410,105
Work. com. & sil.	491,787	....
Oper. income	2,548,753	2,734,494
Add non-oper. income:		
Int. on invest.	145,419	416,120
Exchange comp.*	1,328,666	434,406
Total net earn.	4,022,838	3,585,020
Reserves:		
Deprec.	11,110	62,735
Inv. written down	3,004	3,004
Expend. on aband. prop.	45,839	11,077
Net profits	3,962,885	3,508,204
Less: Divid.	3,690,000	3,444,000
Surplus for year	272,885	64,204
Previous surplus	11,694,092	11,629,888
Balance forward	11,966,977	11,694,092

*The company reports production including exchange. These figures estimated.

Earnings Per Share & Dividends Paid:		
Earned	81c	71c
Paid	75c	70c

The normal volume of the bullion production showed an increase of some $300,000 from the previous year, while the exchange compensation, due to the premium on United States funds, brought the value of the 1932 production to $11,723,074. The tonnage of ore milled for the year was about 115,000 tons greater than in 1931 which accounts for increased mining and milling charges. Actually this cost per ton showed a decline from the previous year.

Taxes Menacing

The substantial increase in taxes was called to the attention of shareholders by N. A. Timmins, president of the company, who expressed grave concern at the increasing demand for taxes, which constitutes a menace to the progress of the mining industry. Workmen's compensation and silicosis assessments totalled $491,787.

The same liberal policy was pursued respecting writing down capital expenditures, the outlay in 1932 having been entirely written off. Additions to the Schumacher shaft in 1931 totalling $104,779, constitutes the only value placed on plant, the balance having been previously written off.

The company's investment in the International Bond & Share Corp., totalling $11,195,980 showed a further decline in market value at the year end to $2,682,278 as compared with $3,104,440 at the end of the previous year. Despite this severe decline in market value, allowance for investment depreciation and properties written down was shown at the same figure as the previous year—$3,004. In explaining the decline to shareholders N. A. Timmins showed that a large proportion of the decrease in these investments was due to the premium on United States funds being considerably higher on Dec. 31, 1932, than at the end of the previous year. He also showed that in comparison with 40 other investment trusts the International Bond & Share Corp. stood in tenth place for results obtained. The investment portfolio of this subsidiary consists chiefly of listed securities which are readily marketable.

Cash forms 7.9 per cent; bonds 39.7 per cent; preferred stock 16.4 per cent and common stock 36 per cent.

Dividends Total $51,920,400

With higher net profits for 1932 two five-cent bonuses were paid in addition to the regular disbursement of 65 cents per share, as compared with one bonus of five cents per share in 1931. This brings the total dividends disbursed by the company to the end of 1932 to $51,920,400. Notwithstanding the depreciation in market value of the company's investments, the working capital stands at approximately $1 per share.

The following tabulation gives current assets and liabilities for the past two years:

Working Capital

	1932	1931
	$	$
Current assets	5,039,198	5,677,441
Current liabilities	889,747	645,012
Working capital	4,150,451	5,032,429

The mill treated the greatest tonnage since 1928 averaging 4,834 tons daily. In commenting on recovery, John Knox, general manager, stated that while operating charges could be reduced at the expense of extraction or extraction improved by ignoring increased operating charges, no alternative process so far as known gives promise of improving upon the only significant figure—that of cost plus tailings loss.

The following tabulation gives summary of operations since inception of production:

Summary of Operations
(Years Ended December 31)

Year	Tons Milled	Recov. per ton	Value
1910	813	$38.35	$ 31,194
1911*	1,000	46.08	46,082
1912	45,195	20.11	909,181
1913	138,291	17.82	2,465,978
1914	208,936	12.86	2,688,355
1915	334,760	9.50	3,169,928
1916	601,854	8.43	5,073,401
1917	514,301	8.29	4,261,938
1918	578,755	9.87	5,752,371
1919	711,882	9.45	6,722,266
1920	650,205	9.56	6,219,665
1921	1,072,493	9.36	10,031,051
1922	1,491,381	8.23	12,274,114
1923	1,366,352	7.64	10,446,412
1924	1,659,475	8.10	13,429,226
1925	1,929,988	8.18	15,786,005
1926	1,932,559	7.65	14,780,637
1927	2,178,329	6.68	14,548,900
1928	1,778,470	6.03	10,712,822
1929	1,549,157	6.09	9,433,767
1930	1,625,868	6.31	10,263,505
1931	1,640,706	6.15	10,094,459
1932	1,754,863	5.92	10,394,409
			$179,627,432

*Records destroyed by bush fire, estimates only.

Cost per ton milled despite the higher tonnage treated showed an increase of 25 cents per share, and is attributable to increased taxation and silicosis assessments.

The following gives comparative costs per ton milled for the past two years:

Costs Per Ton Milled

Devel. explor. & mining	3.08	3.22
Milling	.61	.62
Taxes and marketing	.32	.25
Adminis. & gen. exp.	.51	.39
Total oper. cost	4.75	4.48
Deprec. & w/o	.03	.05
Total cost per ton	4.78	4.53

In commenting on mine developments, John Knox, general manager, stated that during 1932 operations had been carried on on all levels from the surface to the 3,950 ft. horizon. No stoping has been done below the 2,750 ft. level. Development was conducted on all levels during the year, a considerable development being in the area above the 900 ft. level. In a block between the 2,750 ft. and the 3,950 ft. levels, work was confined to development only with satisfactory results. The ore put in sight in this section amounted to over $3,200,000, of a grade approximating $9 per ton.

"Ore conditions on the lower levels are most interesting," said Mr. Knox. The apparent extension of the ore zone to the west continues and while still too early to speak definitely it opens up possibilities in the area which have heretofore been considered unfavorable at depth.

Sink New Shaft

It is the intention to sink below the 3,950 ft. level, but the new developments have re-opened the question of shaft location and work is delayed pending further information.

The number of shrinkage stopes in the mine is being gradually reduced.

Ore reserves as at December 31, 1932, were shown at 6,049,548 tons valued at $45,492,076 or an average grade of $7.52 per ton. This compares with 6,236,887 tons valued at $46,241,688 or $7.41 per ton at the end of 1931. During 1932 1,567,524 tons of ore averaging $6.15 per ton in gold was developed.

The annual meeting of the company will be held May 11 in Montreal.

Co-operative Mining Solves Unemployment

Mining on a co-operative basis is in effect at the old Dunwell property in the Portland Canal district of B. C. A group without any worthwhile funds but with plenty of brawn leased the old producer, rehabilitated an old mill considered as junk and are well on the way to production.

Dunwell had a good mill but this was purchased last year by the Bralorne Mines. The junk mill has been set up in one of the mill buildings. Reports say not one cent has been expended for labor and that the group comprises principally men in the area who were out of work.

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MOSS MINES REPORT REVEALS DEFICIT

First Year's Operations Bring Loss of $40,442

At the annual meeting of shareholders of Moss Gold Mines held in Montreal April 27, a financial statement was presented which showed current assets totalling $88,283 made up of $11,036 cash, $15,000 in bills receivable, $21,341 due from bullion in transit and $37,546 in inventories. Current liabilities totalled $68,073 made up of $56,272 in accounts payable and $11,801 in wages payable.

A loss was incurred from initial operations with operating expenses totalling $307,823 from April 1, 1932, to March 31, 1933. Bullion production in the same period totalled $267,381, leaving an operating loss of $40,442 for the 12 months period from the commencement of operations.

The latter part of February H. W. Howse was appointed the company's consulting engineer and he reports that excellent progress is being made with the installation of new equipment in accordance with his recommendations to bring the operation of the property on a more efficient basis. In order to finance this programme the larger shareholders have advanced the needed funds. Norman R. Fisher, president and managing director of the company, who has been in charge of operations since the company was formed, has resigned to be succeeded by C. G. Greenshields, K.C., of Montreal.

GRANBY REPORTS $12,676 LOSS 1932 INVENTORY HIGH

Contingent Reserve of $1,833,145 Made For Unsold Metals

The annual report of Granby Consolidated Mining, Smelting & Power Co. for the year ended December 31, 1932, showed an operating loss of $12,676 as compared with a profit of $280,355 in the previous year. After the reserve for contingencies amounting to $1,833,145, a deficit of $1,845,821 was shown. Distribution of 12½ cents per share amounting to $52,949 was made on February 1, 1932, after which dividends were passed.

The following tabulation gives comparative consolidated income and surplus account figures for the past two years:

Cons. Income and Surplus Account
Years Ended Dec. 31

	1932	1931
	$	$
Gross val. of prod.	3,591,853	3,429,620
Less: Oper. costs	3,871,113	3,283,451
Gross profit from op.	*279,260	146,169
Add: Non-oper. rev.	266,584	134,186
Net earnings	*12,676	280,355
Less: Deprec.	....	787,828
Depletion	....	452,038
Res. for contingent loss on metal inventories	1,833,145	....
Deficit for year	*1,845,821	*959,511
Less: Prev. deficit	2,671,380	1,711,869
Deficit forward	4,517,201	2,671,380
Earnings per Share:		
Before depr. & depl.	nil	$0.62
Paid in return of capital	0.12½	1.50
Shares Outstanding	450,001	450,001

In previous years a depreciation and depletion reserve has been made, but in 1932, a reserve of $1,833,145 was substituted as a contingency against loss on metal inventories. The inventories of copper, gold and silver on hand, in transit and in progress, totalled $4,383,767, which indicates a large proportion of the production was not marketed. Copper was carried at 8.2 cents per pound, or cost including depreciation and the heavy reserve represented the difference between this price and five cents a pound, the market price used in making compilations.

Operating Costs Lower

Despite the low price for copper, production was heavier than in the previous year, resulting in a future decrease in costs. Owing to improved efficiency, operating costs were reduced to 5.61 cents per pound of copper from 6.82 cents shown in the previous year. The following tabulation gives comparative production figures

Total Production

Year	Tons (a) Ore	Copper lbs.	Costs Cu. cents (b)
1932	1,740,269	38,648,820	5.61
1931	1,576,889	36,511,810	6.82
1930	2,194,532	46,831,149	9.80
1929	2,614,625	60,854,591	10.61
1928	2,296,374	57,521,754	9.19
1927	1,992,426	55,391,711	10.97
1926	1,920,256	56,254,251	10.08
1925	1,163,258	41,090,624	10.52
1924	1,050,733	35,992,726	10.60
1923	874,565	32,562,459	11.809
1922	876,603	31,963,565	11.156
1921	913,808	29,292,178	11.63
1920	749,090	25,744,327	15.94

(a)—Dry ore smelted, includes a very small amount of custom ore. Custom ore is not included in the figures after 1917, except for year 1920.

(b)—Refined copper after crediting gold and silver, but exclusive of depreciation, depletion and income taxes.

Operations were concentrated on the Anyox, B.C., property during 1932, no work having been done at the Allenby plant since 1930.

The ore milled at Anyox in 1932 contained 1.27 per cent copper, producing concentrates which were treated in the company's smelter, the resultant blister copper being largely stored instead of being shipped to the Ontario Refining Co. for electrolytic refining, as is usual.

The working capital of the company shows a decline from the previous year due to the heavy stocks of metals from which liberal reserves were written off for contingencies. The following tabulation gives comparative figures for the past two years:

Working Capital
As at December 31

	1932	1931
	$	$
Current assets	3,836,862	4,444,251
Current liabilities	184,174	184,070
Working capital	3,652,688	4,260,181

FALCONBRIDGE NET $255,992 1ST QUARTER

New Units Went Into Operation on April 15—Working Well

An official statement by Falconbridge Nickel Co. shows a net profit of $255,992 for the three months ended March 31, 1933, as compared with $248,997 for the last quarter of 1932.

The refinery capacity has been increased to synchronize with the increased smelting capacity but this was not reflected in the last quarter's operation. The new concentrating and sintering units at the smelter were placed in operation on April 15, and satisfactory results are reported.

The following tabulation gives production figures and comparative earnings for the past two quarterly periods.

	4th Qtr. 1932	1st Qtr. 1933
Tons smelted	30,948	45,794
Nickel in matte prod., lbs.	1,365,468	2,000,721
Copper in matte prod., lbs.	558,465	839,597
Ref. nickel prod., lbs.	1,426,334	1,439,016
Ref. copper prod., lbs.	801,228	564,352
	$	$
Gross oper. earn.	316,268	331,184
Add: Non-oper. rev.	15,388	16,254
	330,658	347,438
Less: Prov. for taxes	17,965	20,000
Deprec. & def. dev.	63,695	71,446
Net profit	248,997	255,992

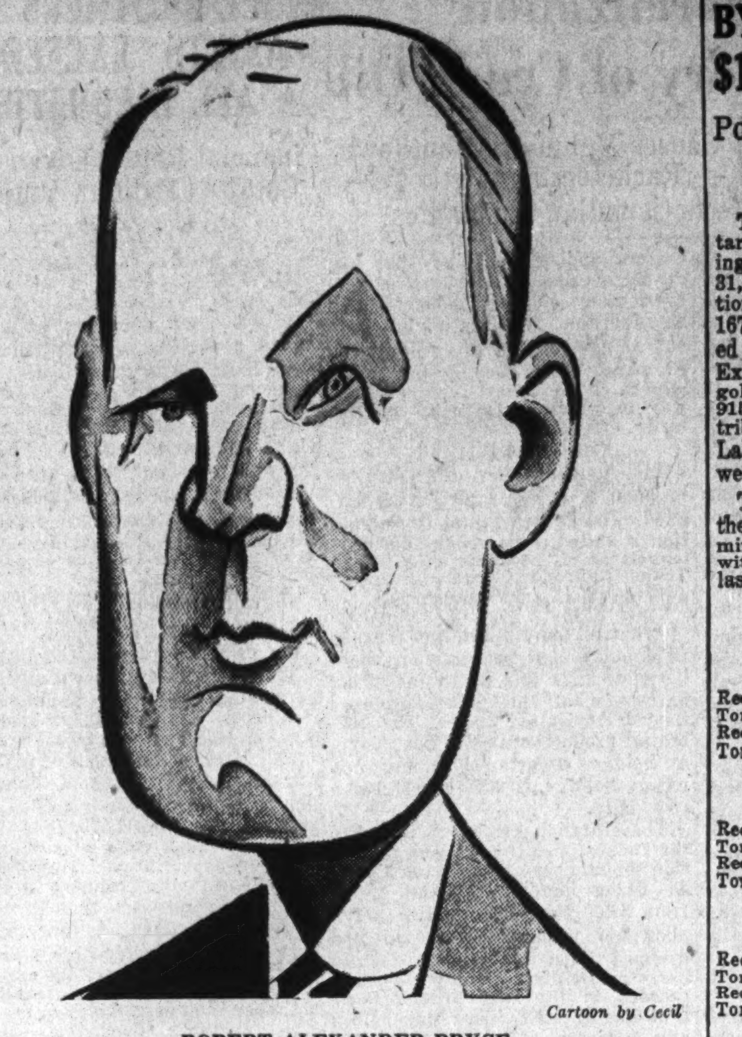
B. E. A. R. Suspended Not Free For Trading

The shares of Bear Exploration & Radium, Ltd., were suspended from trading on the Standard Stock & Mining Exchange on April 28, after being listed but a few days, owing to irregularities in the listing papers, The Financial Post is officially informed.

When the shares were approved for trading the company made the statement that ten per cent of the shares was in the hands of the public and free for trading. Investigation later on the part of the Standard officials disclosed that such was not the case and they lost no time in suspending the stock as a means of effectively impressing upon the sponsors of the enterprise that Exchange regulations must be lived up to.

Brian Newkirk, Al Weiss and Bernard Day are the chief sponsors of the company.

Mining Personages in Canada



Cartoon by Cecil

ROBERT ALEXANDER BRYCE
Mining engineer; president of Macassa Gold Mines Ltd.

Bob Bryce Personifies Typical Mining Engineer

His Powerful Form, Kindly Interest in Young Engineers, Ready Repartee Has Made Him Favorite in Mining, Financial and Social Circles

Mining men are pictured in fiction as being hardy, virile, broad-shouldered Vikings and carrying their burdens lightly. Such pen pictures of mining men appear at once to be justified when one encounters such a pleasing, picturesque personality as that possessed by Robert Alexander Bryce.

If one could set down in cold print the specifications for a real mining he-man it would be difficult to find a man more thoroughly representative in physique and personality than the subject of this week's caricature. His popularity among mining men is the highest tribute that can be offered.

Equally at ease and respected in the highest financial and social circles or the humblest prospector's cabin, his ready wit, sunny disposition and ready repartee make no demands on his physical prowess to substantiate his arguments.

He claims Scottish parental lineage, but one suspects a liberal dash of the Emerald Isle as well in his ancestry. It is not recorded how a youth working in his father's lumber yard in Toronto came to decide on a mining career. It is known, however, that in 1904 at the age of 23 he would have gotten his degree in mining engineering from the University of Toronto had he not skipped off to a tunnelling job awaiting in New York before he finished writing his examinations. While at the University of Toronto his personality, prowess and physique won for him a place on the champion Varsity football team as well as on the old Toronto lacrosse team. It is little wonder that later his athletic proclivities found a further outlet as one of the backers of the famous Cobalt professional hockey team that nearly brought financial disaster to its sponsors.

From the New York tunnelling job he went to Mexico and western United States, and 1907 found him in the Cobalt silver camp, then taking shape as one of the big silver camps of the world. As manager of the Silver Queen and later the Beaver mine, he earned for himself the confidence of an influential Pittsburgh group, for whom he acted from 1910 to 1913. During this time their interests took him to Colorado and Nevada. In 1913 he set up consulting practice in Toronto for himself, but always with a few personal irons in the fire by way of promising prospects. In 1919 we find him in Barkerville, B.C., the site of the present lode mining gold rush, which he might have pioneered had he not refused to be squeezed by avaricious groups who underestimated his ability to stand his ground.

While he has maintained a private consulting mining practice for many years, he has been associated with various mines in the making. Had he not such sincerity and confidence in his own undertakings he might have made a modest fortune from his share interests when the mines failed to live up to expectations.

He is interested in china clay deposits in Quebec which remain undeveloped pending Macassa Gold Mines, his last born, paying dividends.

He has never outgrown his love of sport and no Varsity football game escapes his enthusiastic support. His judgment of the qualities of the Queen's University squad has erred even as his faith in his favorite mining stocks. There is such a thing as being too close to the picture.

No more enthusiastic supporter of welfare for students exists and he is known to be a liberal but unostentatious benefactor to any cause that smooths the student life of a potential mining engineer.

When the Technical Service Council was organized to assist in bringing back Varsity graduates from their jaunts across the international boundary, he, as expected, was one of its indefatigable workers.

That he knows the bush and can subsist for at least two days on half a pound of frozen bologna is verified by Jack Hammell, with whom he mushed into Rouyn in the early days.

SUDBURY CONTACT HAS MANY STOCKS

New Properties Acquired Are to Be Examined This Season

A financial statement by Sudbury Contact Mines dated December 31, 1932, shows liquid assets of $64,770 as against current liabilities of $228. The major items under liquid assets include shares in Dome Mines, Wright-Hargreaves, Montreal Light, Heat & Power, English Electric, Norgold Syndicate, Producers Oil & Gas, Young Davidson and sundry small investments, the total value of the marketable securities being $59,185.

Recently the company secured on favorable terms options on three groups of claims in Northwestern Quebec including the Woodcock-Russell group of six claims in Bousquet township, the Eddy-Smith group of 14 claims adjoining the Woodcock-Russell and the Mayrand group of 19 claims in Cadillac township, adjoining the western boundary of Canadian Pandora. These groups all contact with the belt of sediments and Keewatin lavas. Preliminary work on the Woodcock-Russell claims resulted in two veins being exposed which showed free gold in pannings from test pits.

H. S. Denny, president of Sudbury Contact, reports to shareholders it is planned to form a subsidiary company to find the necessary capital for larger scale operations.

Coast Copper Reports No Work Done in 1932

The sixteenth annual report by Coast Copper Co., covering the year ended December 31, 1932, contains a brief statement that no development work was performed at its property in British Columbia during the year while the financial statement shows liabilities to the Consolidated Mining & Smelting Co. for work performed amounting to $1,092,736. Current assets total $10,530. In addition, there is a funded indebtedness of $750,000 which matured on September 1, 1926. Accrued interest totals $502,850.

The annual meeting of the company is to be held in Trail on April 24.

McVITTIE-GRAHAM TO OFFER SHARES

Additional Funds Required by Company's Subsidiary in Panama

Shareholders of McVittie-Graham Mines were told at the annual meeting in Montreal by F. M. Connell, president of the company, that an issue of 195,000 treasury shares would be made on the basis of three new shares, at 25 cents each, for each 50 shares held. Payment of one half on the new issue is to be made by June 1, and one half by July 1, 1933.

In explanation of the new issue it was stated that the company's subsidiary, the Veraguas Mines, was taking more than had been anticipated owing to the milling facilities being increased. Exchange on funds transferred to that company in Panama is also said to have made additional demands. Directors and the larger shareholders are to take up any shares not subscribed for in the offering.

Good progress is being made at the property in Panama, shareholders were told and it is expected that it will be in operation by not later than November 1.

The meeting was routine in nature, the existing shareholders being re-elected for the ensuing year.

Honor Paid to Neilly, New C. I. M. M. President

Honor was paid to the new president of the Canadian Institute of Mining & Metallurgy, Balmer Neilly, on April 29 when a "Neilly Night" dinner was tendered him by the mining fraternity of Toronto. Among those present were the Federal Minister of Mines, Hon. Wesley Gordon, the Deputy Minister of Mines, Dr. Charles Camsell, and Hon. Charles McCrea, Minister of Mines of Ontario.

Prof. H. E. Haultain paid a neat tribute by saying that in Mr. Neilly the Institute had a president who did not regard the office as an honor but as an opportunity for useful service.

GOLD PRODUCTION BY ONTARIO MINES $11,138,340 IN 3 MO.

Porcupine Camp Neck and Neck With Kirkland Lake

The quarterly report of the Ontario Department of Mines, covering the three months ended March 31, 1933, shows the bullion production by the gold mines to be $11,167,541. The silver found associated with the gold totalled $29,201. Exchange compensation on this gold production amounted to $1,915,800. The Porcupine camp contributed $5,430,693, the Kirkland Lake camp $5,434,300 and Northwestern Ontario $364,624.

The following tabulation shows the production for the respective mines in the various areas together with comparative figures for the last quarter of 1932:

PORCUPINE CAMP

	1st qu. 1933	4th qu. 1932
Buffalo-Ankerite		
Recovery $	93,936	87,834
Tons milled	26,158	25,039
Rec. per ton $	3.60	3.52
Tons daily	290	272
Coniaurum		
Recovery $	187,758	207,817
Tons milled	36,110	36,591
Rec. per ton, $	5.20	5.68
Tons daily	400	402
Dome		
Recovery, $	1,156,295	951,886
Tons milled	136,000	135,318
Rec. per ton, $	8.44	7.05
Tons daily	1,510	1,470
Hollinger		
Recovery, $	2,468,569	2,897,346
Tons milled	417,131	463,774
Rec. per ton, $	5.91	6.26
Tons daily	4,535	5,140
McIntyre		
Recovery, $	1,399,196	1,414,007
Tons milled	181,560	188,400
Rec. per ton, $	7.70	7.50
Tons daily	2,020	2,070
Vipond		
Recovery, $	124,426	125,900
Tons milled	28,685	27,719
Rec. per ton, $	4.34	4.54
Tons daily	318	301

KIRKLAND LAKE CAMP

	1st qu. 1933	4th qu. 1932
Ashley		
Recovery, $	84,114	61,290
Tons milled	7,961	6,805
Rec. per ton, $	8.05	9.00
Tons milled	88	75
Barry-Hollinger		
Recovery, $	55,714	44,545
Tons milled	5,459	8,502
Rec. per ton, $	10.20	5.22
Tons daily	61	93
Kirkland Lake Gold		
Recovery, $	119,020	109,383
Tons milled	12,686	14,799
Rec. per ton, $	9.80	7.45
Tons daily	140	161
Lake Shore		
Recovery, $	2,662,175	3,110,000
Tons milled	186,121	205,187
Rec. per ton, $	14.30	15.16
Tons daily	2,070	2,230
Sylvanite		
Recovery, $	208,407	197,690
Tons milled	22,514	23,850
Rec. per ton, $	9.25	8.30
Tons daily	250	262
Teck-Hughes		
Recovery, $	1,303,209	1,331,252
Tons milled	117,000	119,600
Rec. per ton, $	11.05	11.12
Tons daily	1,300	1,315
Toburn		
Recovery, $	123,559	135,898
Tons milled	9,066	9,491
Rec. per ton, $	13.63	14.20
Tons daily	100	103
Wright-Hargreaves		
Recovery, $	878,102	866,228
Tons milled	72,947	74,831
Rec. per ton, $	12.00	11.57
Tons daily	810	813

NORTHWESTERN ONTARIO

	1st qu. 1933	4th qu. 1932
Howey		
Recovery, $	238,678	264,166
Tons milled	87,211	......
Rec. per ton, $	2.74	......
Tons daily	968	......
Minto		
Recovery, $	32,578	38,014
Tons milled	4,756	4,513
Rec. per ton, $	6.85	8.44
Tons daily	53	49
Moss		
Recovery, $	60,181	58,943
Tons milled	7,860	9,391
Rec. per ton, $	7.55	6.27
Tons daily	87	106
Parkhill		
Recovery, $	33,187	20,581
Tons milled*	1,827	3,985
Rec. per ton, $	18.35	5.16
Tons daily*	45	44

*Resumed production Feb. 20.

Base Metal Exports Advance During March

Canada's exports of copper in the form of ingots, bars, cakes, slabs and billets in March amounted to 14,747,400 pounds valued at $801,969 or an average price of 5.44 cents per pound. The United Kingdom received the major part but Belgium imported 2,243,700 pounds and France 3,281,900 pounds. Denmark, Italy, Germany, Sweden and The Netherlands also appeared among the importers in March.

Of the exports of fine nickel, totalling 1,085,100 pounds in March, 1933, 794,200 pounds went to the United States. The United Kingdom imported 134,800 pounds while France, Germany, Japan and The Netherlands were also importers. Exports of fine nickel in February, 1933, 1,062,900 pounds as compared with 1,828,500 pounds in February, 1932.

Exports of zinc showed a substantial advance in March, 1933, with shipments totalling 19,263,600 pounds as compared with 12,760,500 pounds in February.

Coniagas Mines Options Michael-Boyle Claims

Coniagas Mines has taken an option on the Michael-Boyle group of claims near Alden on the Algoma Central Rly. in the Michipicoten area of Ontario. Diamond drilling is under way but no results have been reported.

This property was formerly under exploration by the Towagmac Exploration Co. and in 1931 the International Mining Corp. did some work. The Sault Ste. Marie Synd., headed by Dr. Paul Armstrong, took over the claims. It did some further work and negotiated the deal with Coniagas.

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A new Map of the
Kirkland Lake - Rouyn Gold Area
is now available
Owing to the increased interest in the Kirkland Lake-Rouyn Gold area, we have prepared an accurate, four-color, topographical map, 36" by 18", showing clearly the producing gold mines and principal developments along the 75-mile area. This map shows clearly the breaks, major contours, fault zones, lakes, railroad lines, and a fund of other valuable information.
While they last, copies of this map will be mailed upon request.
MID-CANADA EXPLORATION CO.
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Eldorado Gold Building Mill At Great Bear

Eldorado Gold Mines is making big plans for this year's programme at its property at Great Bear Lake, according to official information just released by Gilbert Labine, general manager of the company. Most important of the new plans is the construction of a silver concentrator, the order for which has been placed with the Canadian Allis Chalmers Co., for delivery during the summer season of navigation. Erection and operation is planned this fall. The coarse grinding capacity will be 100 tons daily while a new Diesel engine unit will provide power for treating 50 tons of ore daily.

Clearing Mill Site

A start has been made at the property on getting out the timbers and clearing the site for the mill. At the present time some 30 men are at work on the property.

At the mine the Diesel engine-driven mining plant is reported to be functioning well and work is now directed at raising on the ore, while the west drift on No. 2 vein is being extended. Silver mineralization is reported in evidence with high grade silver ore in the hanging wall. Mining high grade is being deferred until weather conditions are more favorable to hand cobbing at the portal of the tunnel.

Starting May 1, the breaking of high grade pitchblende will be undertaken to provide sufficient ore by the time navigation opens to supply the radium refinery at Port Hope for a year.

At the Bonanza group of claims a shallow prospecting shaft is to be sunk this summer and intensive exploration of this section conducted.

Barry Hollinger Deal With N. Y. Brokers Off

The New York brokers who were sponsoring Barry Hollinger Gold Mines are no longer interested, The Financial Post is officially advised. After taking up some 302,000 shares and providing the treasury with $30,200 they sought to have the option terms revised. When the April obligations were not taken up the agreement was automatically cancelled.

The power plant at the property which was destroyed by fire on April 23, was covered by insurance to the amount of approximately $20,000, so no real loss, other than time, will be experienced. New equipment has been ordered, part of the equipment repaired and the new building is now under construction and the expectation is that development work will be resumed this month.

Development Encouraging

The mill, which has been closed down for a few weeks, will remain closed until such time as the need for funds dictates that operations should be resumed. Development work is to be pressed to get just as much ore developed as possible before milling starts. Work on the 1,750 ft. level is said to have disclosed some good ore which extends to the level above. Diamond drilling from the 1,875 ft. level to the 2,375 ft. level has also encountered some good ore.

Dr. E. H. Greene, president of the company says the company does not owe any money and that in addition to the insurance money it has sufficient funds to carry on the present development programme. The gold recovery in the first three months of 1933 was the best for some time with the production valued at $55,715 exclusive of exchange compensation.

CROW'S NEST COAL HAS SOME PROFIT CAPITAL LOWER

Discontinues Operation of Coal Creek Mines Due to Losses

Crow's Nest Pass Coal Co. had an increased loss on coal operations in 1932, but revenue from lands, timber and other sources was higher, so that after provision for taxes net profit was up $36,637 from $27,448 in 1932. Coal mined dropped to 347,430 tons from 452,730 in 1931, and coke produced was down to 33,091 tons from 73,247 tons. During the last two years the company has lost from 500,000 to 600,000 tons of business due to decreased consumption of coal and increased use of oil by transportation companies.

Operations at the Coal Creek Mines was reduced to one or two days a week and continued operation of these mines would result in heavy financial losses. This property will be closed down permanently and mining operations will be concentrated at the Michel properties.

Earnings in 1932 and 1931 were as follows:

Income and Surplus Account
Years Ended Dec. 31

	1932	1931
	$	$
Net earnings:		
From coal & coke	*30,899	*23,470
From lands, timber & other sources	68,512	52,605
	37,613	29,135
Less: Prov. for taxes	976	1,687
Net profit	36,637	27,448
Add: Prev. surplus	*27,378	2,984
Inc. tax adjust.	2,832	....
Less: Inc. tax adjust. prior years	....	2,989
Adj. of depr. on underground plant & equip. for prev. year	....	1,529
Res. for exhaust. of coal areas	....	53,293
Bal. carried forward	12,091	*27,379

*Loss or deficit.

During 1932 the company distributed $248,472, representing a repayment of capital to the extent of $4 per share. These distributions were chiefly taken from depreciation and depletion reserves. Liquid position of the company was well retained with cash at $310,927; accounts receivable at $276,476 and inventories at $150,352. Accounts payable amount to $130,021.

Working Capital

	1932	1931
	$	$
Current assets	737,755	897,760
Current liabs.	130,997	153,550
Working capital	606,758	744,210
Ratio	5.63—1	5.85—1

Bonds and shares owned are carried at $1,610,112 while fixed assets, after unstated depreciation and depletion reserves, are shown at $3,563,133. Capital expenditures totalled $78,200 in 1932. Operating loss, after depreciation, of Crow's Nest Pass Electric Light & Power Co. was $8,957 and of Morrissey, Fernie & Michel Railway, $87,943. Subscribed and paid-up capital of $6,212,667 has been reduced to $5,789,931 as a result of capital repayments.

Dominion Coal Co. Springhill Output Up

From Our Own Correspondent

MONTREAL.—Output of the three Springhill collieries of the Dominion Coal Co. totalled 37,391 tons during March last. This represents an increase in production over that of February of 5,066 tons, but it is less than that reported for the corresponding month of 1932 by 8,277 tons.